



## **ACOF 46th Annual Convention & Exhibition**

**March 4-8, 2009**

Gaylord National Resort & Convention Center  
Washington, D.C.

# **Coding and Billing**

**Douglas J. Jorgensen, DO, CPC, FACOFP**

**Friday, March 6, 2009  
10:00 am-12:00 pm**

### **CME/CEU Information**

The American College of Osteopathic Family Physicians is accredited by the American Osteopathic Association Council to sponsor continuing medical education for osteopathic physicians.

The American College of Osteopathic Family Physicians has requested that the AOA Council on Continuing Medical Education approve this program for 2 hours of AOA Category 1A CME credit. Approval is currently pending.

# ACOFP FULL DISCLOSURE FOR CME ACTIVITIES

Please check where applicable and sign below. Provide additional pages as necessary. Date: \_\_\_\_\_

Name of CME Activity: ACOFP 46th Annual Convention & Exhibition

Dates and Location of CME Activity: March 4-8, 2009, Gaylord National Resort and Convention Center, National Harbor, MD

Topics: Coding and Billing; Quality Metrics, Pay-for-Performance and Optimizing Clinical Outcomes

Name of Faculty/Planner/Author/Editor/Reviewer: Douglas J. Jorgensen, DO, CPC, FACOFP

## DISCLOSURE OF FINANCIAL RELATIONSHIPS WITHIN 12 MONTHS OF DATE OF THIS FORM

A. Neither I nor any member of my immediate family has a financial relationship or interest with any proprietary entity producing health care goods or services.

B. I have, or an immediate family member has, a financial relationship or interest with a proprietary entity producing health care goods or services. Please check the relationship(s). (Check all that apply):

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Research Grants    | <input checked="" type="checkbox"/> Stock/Bond Holdings (excluding mutual funds) |
| <input checked="" type="checkbox"/> Speakers' Bureaus* | <input type="checkbox"/> Employment  |
| <input checked="" type="checkbox"/> Ownership          | <input type="checkbox"/> Partnership   |
| <input checked="" type="checkbox"/> Consultant for Fee | <input type="checkbox"/> Others, please list: _____                              |

Please indicate the names of the organizations with which you have a financial relationship or interest, and the specific clinical areas that correspond to the relationship. If more than four relationships, please list on separate piece of paper:

Organization With Which Relationship Exists	Clinical Area Involved
1. Patient360	1. Chronic Disease Management
2. Pfizer	2. Pain/Managed Care
3. Cephalon	3. Pain/Managed Care
4. Endo Pharmaceuticals	4. Pain Management
5. Medical Care Corporation	5. Consultant/Board Member

\*If you checked "Speakers' Bureaus" in item B, please continue:

- |   |   |
|---|---|
| • Did you participate in company-provided speaker training related to your proposed topic?  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| • Did you travel to participate in this training?   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| • Did the company provide you with slides of the presentation in which you were trained as a speaker?   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
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| • When serving as faculty for ACOFP, will you use slides provided by a proprietary entity for your presentation and/or lecture handout materials? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
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A. The content of my material(s)/presentation(s) in this CME activity will not include discussion of unapproved or investigational uses of products or devices.

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Signature:  Date: 1/9/08

Please fax this form to ACOFP at 866-328-1835 as soon as possible. Deadline: December 31, 2009.

# **Practice Management: Just Getting Started**

**ACOFP Annual Meeting**

**March 6, 2009**

**Washington, D.C.**

Presented by

Jorgensen Consulting, L.L.C.

Douglas J. Jorgensen, D.O., C.P.C., F.A.C.O.F.P.

[www.jorgensenconsulting.net](http://www.jorgensenconsulting.net)

## **Agenda**

- **Overview**
- **Who, What, Where, When, How & WHY!?!**
- **E&M Coding Fundamentals**
- **The Right Entity for You**
- **Business Plans:**
  - **They're not just for 'other' businesses**
- **Questions & Answers**

## **Disclaimer**

This seminar provides guidelines, recommendations and interpretations that are to be used as a guide for implementation in your practice(s). The actual implementation and interpretation of these guidelines/recommendations and/or coding/documentation performed is done at the sole discretion of the provider(s) and his/her staff. As such, the provider(s) and his/her staff accept sole responsibility for these decisions and the potential repercussions. Jorgensen Consulting, LLC and the ACOFP do not accept any liability in this regard.

## **Who**

- **W-2 vs. Private Practice Owner/Partial Owner**
- **New Practice vs. Acquisition vs. Partnership**
- **EXIT STRATEGY (Got one?)**

## **What**

- **FP vs. OMM vs. Pain vs. Combination**
- **Owned (Y.E.S.)**
- **Employed (J.O.B.)**
- **W-2 (what-2-do)**
  - **Legal Concerns**
  - **Restrictive Covenants**

## **Where**

- **Location Location Location**
  - **Hometown**
  - **Near Residency/Fellowship**
  - **Demographic Evaluation**
    - **Referrals**
    - **Patients**

## How

- **\$\$\$\$**
- **Hospital Assist**
  - Salary guarantee
  - Marketing assistance
  - Gain for ancillary hospital services
- **Bank (need business plan)**

## When

- **Transitional Plan**
- **Business Plan**
  - Forecasting
  - Timing
- **Credentialing**
- **Cash Flow**

**Health Care Financing Administration (HCFA\*)  
Common Procedural Coding System (HCPCS)**

<b>Diagnosis Codes (Creates Medical Necessity)</b>	→	<b><u>ICD-9</u></b>
<b>Level I Updated annually</b>	→	<b><u>CPT</u></b>
<b>Level II (National) Alphanumeric System</b>	→	<b><u>HCPCS</u> A-V</b>
<b>Level III(State) Alphanumeric System</b>	→	<b><u>Local Codes</u> W-Z</b>

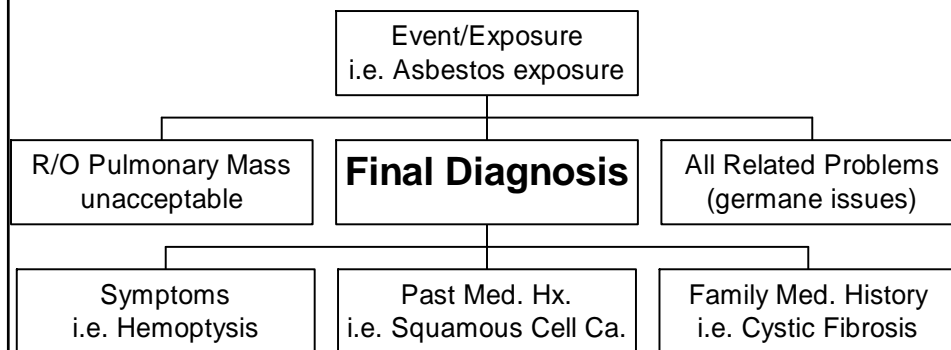
## **Current Procedural Terminology**

- **Chapter 1: Evaluation and Management Codes (99201-99499)**
- **Chapter 2: Anesthesia codes (00100-01999)**
- **Chapter 3: Surgery Codes (10040-69990)**
- **Chapter 4: Radiology Codes (70010-79999)**
- **Chapter 5: Pathology/Laboratory Codes (80049-89399)**
- **Chapter 6: Medicine Codes (90281-99199)**
- **Appendices: Modifiers, Deleted Codes, MCM (edited)**

## International Classification of Diseases 9<sup>th</sup> Revision Clinical Modification (ICD-9-CM)

- **Index to Diseases:**                      **Volume 2**
  - 5 Digit Codes
  - Hypertension 401.9 vs. 405.11 (HTN due to Renal Artery Disease)
  - The ‘Why’ you do what you code in CPT
- **Tabular Listing:**                         **Volume 1**
- **V Codes:**                                 **Supplemental Classification of  
Factors Influencing Health Status and  
Contact with Health Services**
- **E Codes:**                                 **Supplementary Classification of  
External Causes of Injury and  
Poisoning**
- **Appendices**

## ICD-9 Practically Speaking



# **CPT, ICD and HCPCS Alphabet Soup for Providers**

## **ICD-9-CM**

**(Why you do things)**

- **Published by WHO**
- **Good through  
October 2005**
- **Symptoms vs. Dx**
- **Specificity a must**
- **Create Medical Necessity**

## **CPT**

**(What you do)**

- **Owned by AMA**
- **Published Annually (4/1/\_\_\_)**
- **Specialty Chapters, but Not  
specialty exclusive**
- **E&M and Procedural tabular  
listings**
- **Exact Descriptor (unlisted)**

## **Federal Focus**

- **HIPAA**
- **STARK I & II**
- **Fraud and Abuse**
  - **Federal (OIG initiatives)**
  - **Commercial/Private**
- **EMTALA**

## **Physician Regulatory Insurance Program**

- **Boynton & Boynton's**
- **Defense and Indemnity Coverage**
- **Underwritten: Lloyds of London**
- **6 years retroactive**
- **Affordable up to \$1,000,000 in coverage for solo doctor practice**
- **Simple Application**

**[www.complyfacts.com](http://www.complyfacts.com) (888) 426-9686**

## **Medical Necessity**

- **A service that is reasonable and necessary for the diagnosis and treatment of illness or injury, or to improve the functioning of a malformed body member.**
  - **It can be regional.**
  - **It can be specialty specific.**
  - **Should be considered standard of care and not experimental.**
  - **Service should not be performed for convenience or cosmesis.**

## **Defining Levels of E&M Services**

- **7 Components**
  - **History**
  - **Examination**
  - **Medical Decision Making**
  - **Counseling**
  - **Coordination of Care**
  - **Nature of Presenting Problem**
  - **Time**

## **New vs. Established Patient**

- **New patient: Any patient who has not received professional services, within the previous 36 months, from a provider within the same group, of the same specialty. (MCM 15502.A)**
  - **Same Group Practice: One Federal Tax ID No. for all providers; If more than one Fed. Tax. ID, then could consider patient new**
  - **Professional Services: Phone call, prescription, hospital or office visit, etc. . .**
  - **Specialty Issue: Optional if one Federal Tax ID No. is shared by practitioners of different specialties (I.e. F.P. and I.M. within same group practice)**

# The Constants of Coding

- **3 of 3 Rule**
  - Go to the lowest component
    - i.e.: 2, 3, 4 = 2 or 3, 3, 4 = 3
  - Used for new patient, initial consults, initial hospital care, and emergency dept. visits
- **2 of 3 Rule**
  - Go to the middle component
    - i.e.: 2, 3, 4 = 3 or 3, 3, 4 = 3
  - Used for established patient, subsequent hospital f/u, f/u consult

# History

- **Chief Complaint Required**
- **History of Present Illness (HPI)**
  - **CPT Definition Brief: 1-3 Elements**
  - \*Extended:  $\geq$  4 Elements**

Table 1

The Elements			
Location	Duration	Timing	Modifying Factors
Quality	Severity	Context	Associated Signs & Symptoms

\*PMH  $\geq$  3 germane items

## **A History Example**

**36 yo WM c/o LBP. Right paralumbar x 24 hours. Tylenol and ice helped. Worse today. Denies W/A, NSD, BBI**

## **History Example**

**67 yo WM c/o CP x 24 hours. Left midsternum. Pressure. Worse today. Better with SL NTG. +N/V. No neck pain. Some left arm pain. CAD hx. Smoker. Brought here via EMS after family called.**

## A History Example

**6 yo BF c/o otalgia. AD x 24 hours.  
Tylenol helped. Worse today. No F/C,  
N/V/D, Exanthem.**

## History

- Review of Systems (ROS)
  - Problem Pertinent: 1 Element
  - Extended: 2-9 Elements
  - Complete: 10 Elements

**Table 2**

<b>The Elements</b>			
<b>Constitutional</b>	<b>Respiratory</b>	<b>Skin</b>	<b>Hematologic &amp; Lymphatic</b>
<b>Eyes</b>	<b>Gastrointestinal</b>	<b>Neurologic</b>	
<b>ENT</b>	<b>Genitourinary</b>	<b>Psychiatric</b>	<b>Allergic &amp; Immunologic</b>
<b>Cardiovascular</b>	<b>Musculoskeletal</b>	<b>Endocrine</b>	

# History

- **Past Family, Social (Medical) History (PFSH)**
  - **Pertinent: 1 from any PFSH area**
  - **Complete: 2 if Established, 3 if New Patient**

# History Algorithm

**Table 3**                      **Using 3 of 3 Rule**

<b>History Type</b>	<b>HPI</b>	<b>ROS</b>	<b>PFSH</b>
<b>Problem Focused (1)</b>	<b>Brief</b>	<b>None</b>	<b>None</b>
<b>Expanded Problem Focused (2)</b>	<b>Brief</b>	<b>Problem Pertinent</b>	<b>None</b>
<b>Detailed (3)</b>	<b>Extended</b>	<b>Extended</b>	<b>Pertinent</b>
<b>Comprehensive (4)</b>	<b>Extended</b>	<b>Complete</b>	<b>Complete</b>

## **A History Example**

**36 yo WM c/o LBP. Right paralumbar x 24 hours. Tylenol and ice helped. Worse today.**

**ROS: Denies W/A, NSD, BBI.**

**PMH/FMH: NC**

**Soc: Builds rock walls for stress relief**

## **A Detailed History**

**67 yo WM c/o CP x 24 hours. Left midsternal pressure. 2-3' last night with exertion. Now 15-20' w/o exertion and stabbing with residual pressure. SL NTG stopped it last night, now persisting. Here via EMS.**

**ROS: +N/V, LUE Pain. No diaphoresis, neck/jaw pain**

**FMH: Mother/Father CAD**

**PMH: CAD hx. S/p CABG 2 years ago**

**Social: 2 PPD x 6 mo. Wife died 6 months ago.**

## **A History Example**

**6 yo BF c/o otalgia. AD x 24 hours.**

**Tylenol helped. Worse today.**

**ROS: No F/C, N/V/D, Exanthem.**

**PMH/FMH: NC**

**Soc: Nonsmoking household**

## **Physical Examination**

- **Problem Focused Exam (1)**

- 1995: < 1 Organ System/Body Area

- 1997: 1-5 Bulleted Elements

- **Expanded Problem Focused Exam (2)**

- 1995: 2-4 Organ Systems/Body Areas

- 1997:  $\geq$  6 Bulleted Elements

## Physical Examination Cont'd.

- **Detailed Exam (3)**
  - 1995: 5-7 Organ Systems/Body Areas
  - 1997:  $\geq 2$  Bulleted Elements from 6 Areas
- OR
- $\geq 12$  Bullets from  $\geq 2$  Areas
- **Comprehensive (4)**
  - 1995:  $\geq 8$  Organ Systems/Body Areas
- OR
- Complete Single System Examination**
- 1997:  $\geq 2$  Bulleted Elements from 9 Areas

## Comprehensive Examination

- WDWM in NAD
- Eyes: PERRLA/EOMI
- Neck: No goiter/rigidity
- Lymph: No SC, IC, axillary
- Skin: No periorbital, malar or palmar lesions/exanthems
- Ext: Equal strength & tone
- MS: right paralumbar spasm w/ tenderness
- Neuro: CN II-XII grossly intact; DTR +2/4 UE/LE
- Ant. Rot. Outflared right ilium. L on L torsion with L5-S1 compensatory changes and lower leg length discrepancies

# Comprehensive Exam Example

**WDWM in NAD**

**A&O x 3**

**Neck: Supple w/o goiter**

**Eyes: PERRLA w/ EOMI**

**ENT: Unremarkable**

**CV: RRR +S1,2 w/o S3, 4 or Murmur. No JVD**

**Lungs: CTA w/o W/R/R**

**Abd: Soft, NT +BS w/o guarding**

## Medical Decision Making: Diagnoses/Management Options

Table 4 (Maximum of 4 points)

Problem Categories	Number of Problems	Possible Points	Score
Self limited/minor	Maximum of 2	1	
Established Problem -stable or improving		1	
Established Problem -worsening		2	
New Problem (no further work-up)	Maximum of 1	3	
New Problem (work-up needed)		4	

**Total:**

## Medical Decision Making: Amount and Complexity of Data

Table 5 (Maximum of 4 points)

Type of Data	Check if Done	Possible Points	Score
Review/Order Test(s) (8XXXX Clinical)		1	
Review/Order Test(s) (7XXXX Radiology)		1	
Review/Order Test(s) (9XXXX Medicine)		1	
Discuss test results w/ performing physician		1	
Independent review of tracing, specimen, image		2	
Decision to obtain medical records		1	
Review, summarize old records &/or obtain hx.		2	
<b>Total:</b>			

## Medical Decision Making: Final Medical Decision Making

Table 7 (2 of 3 Rule)

Decision Making	Straight Forward	Low	Moderate	High
<b>Diagnosis &amp;/or Management Options</b>	Minimal (1)	Limited (2)	Multiple (3)	Extensive ( $\geq 4$ )
<b>Amount of Data Reviewed</b>	Minimal/None (1)	Limited (2)	Multiple (3)	Extensive ( $\geq 4$ )
<b>Table of Risk</b>	Minimal (1)	Low (2)	Moderate (3)	High (4)

**New Outpatient and Consultative CPT E&M Guidelines  
(3 of 3 Rule)**

Table 8

<b>Confirmatory Consult</b>	<b>Initial Consult</b>	<b>New Patient</b>	<b>History</b>	<b>Physical Exam</b>	<b>Medical Decision Making</b>	<b>Time</b>
99271	99241	99201	Problem Focused (1)	Problem Focused (1)	Straight Forward (1)	<b>10</b>
99272	99242	99202	Expanded Problem Focused (2)	Expanded Problem Focused (2)	Straight Forward (1)	<b>20</b>
99273	99243	99203	Detailed (3)	Detailed (3)	Low Complexity (2)	<b>30</b>
99274	99244	99204	Comprehensive (4)	Comprehensive (4)	Moderate Complexity (3)	<b>45</b>
99275	99245	99205	Comprehensive (4)	Comprehensive (4)	High Complexity (4)	<b>60</b>

**New Outpatient and Consultative CPT E&M Guidelines  
(3 of 3 Rule)**

Table 8

<b>Confirmatory Consult</b>	<b>Initial Consult</b>	<b>New Patient</b>	<b>History</b>	<b>Physical Exam</b>	<b>Medical Decision Making</b>	<b>Time</b>
99271	99241	99201	Problem Focused (1)	Problem Focused (1)	Straight Forward (1)	<b>10</b>
99272	99242	99202	Expanded Problem Focused (2)	Expanded Problem Focused (2)	Straight Forward (1)	<b>20</b>
99273	99243	99203	Detailed (3)	Detailed (3)	Low Complexity (2)	<b>30</b>
99274	99244	99204	Comprehensive (4)	Comprehensive (4)	Moderate Complexity (3)	<b>45</b>
99275	99245	99205	Comprehensive (4)	Comprehensive (4)	High Complexity (4)	<b>60</b>

## Rules for Consultation 99241-99255

1. **Opinion or advice regarding E&M of a specific problem is requested.**
2. **Documented request from appropriate source is required.**
3. **Written report sent to referring provider (a letter for an outpatient).**
4. **Initiation of care at time of consult is acceptable (MCM 15506.B).**
5. **Post-op consult by provider performing pre-op clearance should use subsequent hospital codes or established office visit codes (MCM 15506.F).**

## Established Patient CPT E&M Guidelines (2 of 3 Rule)

Table 9

<b>Code</b>	<b>History</b>	<b>Physical Exam</b>	<b>Medical Decision Making</b>	<b>Time</b>
99211	N/A	N/A	N/A	5
99212	Problem Focused (1)	Problem Focused (1)	Straight Forward (1)	10
99213	Expanded Problem Focused (2)	Expanded Problem Focused (2)	Low complexity (2)	15
99214	Detailed (3)	Detailed (3)	Moderate complexity (3)	25
99215	Comprehensive (4)	Comprehensive (4)	High Complexity (4)	40

## Inpatient Codes Initial Inpatient Services and Observation (3 of 3 Rule)

Table 10

Initial Inpatient (Time)	Initial Observation (Time)	Observation (Same day admit & d/c)	History	Physical Exam	Medical Decision Making
99221 (30')	99218	99234	Detailed (3)	Detailed (3)	Str Forward or low (1-2)
99222 (50')	99219	99235	Comprehensive (4)	Comprehensive (4)	Mod. (3) Complexity
99223 (70')	99220	99236	Comprehensive (4)	Comprehensive (4)	High (4) Complexity

## Inpatient Consults (3 of 3 Rule)

Table 11

Code	History	Physical Exam	Medical Decision Making	Time
99251	Problem Focused (1)	Problem Focused (1)	Straight Forward (1)	20
99252	Expanded Problem Focused (2)	Expanded Problem Focused (2)	Straight Forward (1)	40
99253	Detailed (3)	Detailed (3)	Low complexity (2)	55
99254	Comprehensive (4)	Comprehensive (4)	Moderate complexity (3)	80
99255	Comprehensive (4)	Comprehensive (4)	High Complexity (4)	110

## Inpatient Follow-Up Guidelines (2 of 3 Rule)

Table 12

Subsequent Hospital Care	Follow-up Inpt. Consult**	History	Physical Exam	Medical Decision Making
99231 (15')	99261 (10')	Problem Focused (1)	Problem Focused (1)	Str. Forward or low (1 or 2)
99232 (25')	99262 (20')	Exp. Problem Focused (2)	Exp. Problem Focused (2)	Moderate complexity (3)
99233 (35')	99263 (30')	Detailed (3)	Detailed (3)	High complexity (4)

## Discharge Codes

- **Inpatient**
  - ≤ 30 minutes: 99238
  - ≥ 30 minutes: 99239
- **Observation: 99217**
  - Time not applicable
  - Not to be used with 99234-99236

## **ICD Code 739**

**Nonallopathic lesions, not elsewhere classified  
Includes: Segmental and Somatic Dysfunctions**

<b><u>ICD Codes</u></b>	<b><u>Descriptors</u></b>
<b>739.0</b>	<b>Head Region (occipitocervical region)</b>
<b>739.1</b>	<b>Cervical Region (cervicothoracic region)</b>
<b>739.2</b>	<b>Thoracic Region (thoracolumbar region)</b>
<b>739.3</b>	<b>Lumbar Region (lumbosacral region)</b>
<b>739.4</b>	<b>Sacral Region (sacrococcygeal region)</b>
<b>739.5</b>	<b>Pelvic Region (hip region)</b>
<b>739.6</b>	<b>Lower Extremities</b>
<b>739.7</b>	<b>Upper Extremities (AC &amp; SC joints too)</b>
<b>739.8</b>	<b>Rib Cage (Costochondral/Costovertebral too)</b>
<b>739.9</b>	<b>Abdomen and other</b>

## **OMT CPT Codes**

<b><u>CPT Codes</u></b>	<b><u>Number of Regions Treated</u></b>
<b>98925</b>	<b>1-2 Body Regions Involved</b>
<b>98926</b>	<b>3-4 Body Regions Involved</b>
<b>98927</b>	<b>5-6 Body Regions Involved</b>
<b>98928</b>	<b>7-8 Body Regions Involved</b>
<b>98929</b>	<b>9-10 Body Regions Involved</b>

# **ENTITY STRUCTURING**

## **HOW TO USE ENTITIES TO**

- LOWER YOUR TAXES**
- PROTECT YOUR ASSETS**
- GROW YOUR WEALTH FASTER**
- GET MORE CHOICES**

## **WHAT YOU WILL LEARN**

- WHY YOU SHOULD INCORPORATE**
- TYPES OF ENTITIES TO USE**
- MULTI-COMPANY STRATEGIES**

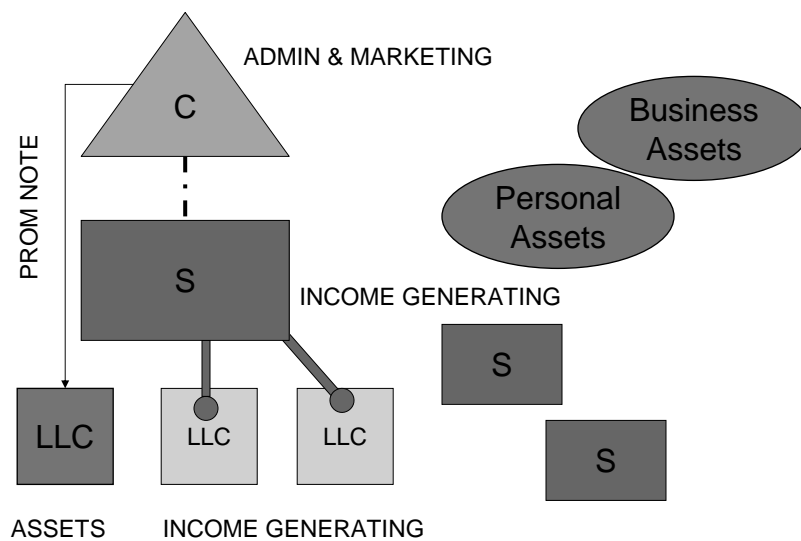
# **WHY INCORPORATE**

- TAX BENEFITS**
  - BUSINESS**
  - ESTATE**
- LIABILITY PROTECTION**
- ASSET PROTECTION**
- PRIVACY**
- SEPARATION OF BUSINESS & PERSONAL**

## TYPES OF ENTITIES

- – C & S
- LIMITED LIABILITY COMPANIES
- LIMITED PARTNERSHIPS
- TRUSTS

## MULTI-COMPANY STRATEGY



- **Put your practice into the correct entity structure for your state.**
- **Use an S tax election for active income generating structures.**
- **Place personal & business assets into Limited Liability Companies.**
- **Use a multi-company strategy to take advantage of corporate benefits.**
- **If you have significant net worth, consider an offshore LLC or trust.**

## **The Business Plan**

<http://www.sba.gov/smallbusinessplanner/index.html>

- **The Business**
  - Mission Statement
  - Description
  - Marketing
  - Competition
  - Operating Procedures
  - Personnel
  - Business Insurance
  - Financial Data
- **Financial Data**
  - Loan Applications
  - Capital Equipment
  - Supplies
  - Balance Sheet
  - Breakeven Analysis
  - Proforma

## **The Business Plan**

<http://www.sba.gov/smallbusinessplanner/index.html>

- **Supporting Documents**
  - Tax Returns of principals last 3 years
  - Personal Financial Statement
  - Copy of lease/purchase agreement
  - Copy of license, board certifications
  - CV
  - Current patient data
    - # visits/day, booking out X weeks, etc.

## **Proforma: The Money Plan**

- **Goal: Be clear**
- **Purpose (Mission)**
- **ROI**
- **Breakeven**
- **Accounts Receivable (AR)**

## Forecasting

- **Backing into financial success**
- **By 5 years...3 years...18 months, etc.**
- **How can I map that goal?**
- **Evaluate your tools, skills, resources**
- **Follow the road map.**

## Proforma: The Money Plan

- Example: Goal 16 pt/day
- 4.5 days/week x 46 weeks
- Avg. Payor \$80/pt contact
- Week 1: 8 patients/day
- Week 2: 10 patients/day
- Week 3: 12 patients/day
- Week 4: 14 patients/day
- Week 5: 16 patients/day
- Gross Financial Return:
- Goal: \$264,960
- Week 1: \$2,880
- Week 2: \$3,600
- Week 3: \$4,320
- Week 4: \$5,040
- Week 5: \$5,760

Please note the figures represented here are for illustrative purposes only and in no way imply or suggest standard or customary charges. The individual provider or practice must make this determination at his/her own discretion and the AAO, Y.E.S. and/or JCC, LLC make no claim in this regard.

## **Proforma: The Money Plan**

- **Example: Seeing 16 patients/day 4.5 days/week**
- **Again assuming \$80/patient encounter**
- **$\$80 \times 16 \times 4.5 = \$5,760/\text{wk}$**
- **$\$5,760 \times 46 \text{ weeks} = \$264,960/\text{year}$**
- **Work 48 weeks (one month off) = \$276,480**

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## **Proforma: The Money Plan**

- **What if your goal was \$500K/year?**
- **Bottom Line and Fixed Costs**
- **Other options:**
  - **Laboratories (standard, outsourcing (Stark))**
  - **Ancillary Services (PT in house, MLM, Massage question?)**
  - **Procedures outside OMM**
  - **Think ROI and cash on cash return**

# Advertising

Notice it is not a 4 letter word!

No matter how good you or your services are  
if no one knows about them, you won't grow.

## Oversight & Management

- **\$\$\$ You or your spouse/significant other**
  - Verify checks
  - Embezzlement happens
    - CMS rules (\$30K/yr over 20 yrs; cash flow problems?)
    - Commonsense

## **Staff Meetings**

- **Vertical communication**
- **Frequency**
- **Open mindedness to ideas**
- **Validation and Delegation**
- **Don't be a dictator**
- **Look at issues from several perspectives**
- **Be consistent and Document, Document, Document**

## **Patient Satisfaction**

- **Be Proactive**
- **Surveys and assessment tools**
- **Key opinion leader polls**
- **A Metric in Quality and P4P**

## **Business Expenses**

- **CME and vacation**
- **Car**
- **Home office**
- **Optimize entity decision**

## **Rediscovery**

- **Reassess constantly**
- **Clinically**
- **Administratively**
- **Needs assessment**
  - **Space**
  - **Staff**
  - **Equipment**
  - **Proactive vs. Reactive accommodation**

## Table of Risk

Table 6 (Pick single highest level or 1of 3 rule)

Level of Risk	Presenting Problems	Diagnostic Procedure(s) Ordered	Management Options
<b>Minimal (1)</b>	<ul style="list-style-type: none"> <li>- One self limited or minor problem; e.g.: cold, tinea, insect bite</li> </ul>	<ul style="list-style-type: none"> <li>- Labs requiring venipuncture.</li> <li>- Chest X-ray</li> <li>- EEG/EKG</li> <li>- Urinalysis</li> <li>- Ultrasound/Echo</li> <li>- KOH Prep</li> </ul>	<ul style="list-style-type: none"> <li>- Rest</li> <li>- Gargles</li> <li>- Elastic bandages</li> <li>- Superficial dressings</li> </ul>
<b>Low (2)</b>	<ul style="list-style-type: none"> <li>- Two or more self limited or minor problems</li> <li>- One stable chronic illness; e.g.: well controlled HTN, NIDDM, BPH, cataract</li> <li>- Acute uncomplicated illness or injury; e.g.: cystitis, allergic rhinitis, simple sprain</li> </ul>	<ul style="list-style-type: none"> <li>- Physiologic tests not under stress; e.g.: PFT</li> <li>- Non-CV imaging studies w/ contrast barium enema</li> <li>- Superficial needle biopsies</li> <li>- Skin biopsies</li> <li>- Labs requiring arterial puncture</li> </ul>	<ul style="list-style-type: none"> <li>- Over the counter drugs</li> <li>- Minor surgery w/out risk factors</li> <li>- Physical Therapy</li> <li>- Occupational Therapy</li> <li>- IV fluids w/out additives</li> </ul>
<b>Moderate (3)</b>	<ul style="list-style-type: none"> <li>- One or more chronic illnesses w/ mild exacerbation, progression, or side effects of treatment.</li> <li>- ≥2 stable diagnosis</li> <li>- Undiagnosed new problem e.g.: Breast lump.</li> <li>- Acute illness w/ systemic symptoms; e.g.: pyelonephritis, colitis, pneumonitis</li> <li>- Acute, complicated injury; e.g.: head injury w/ brief LOC</li> </ul>	<ul style="list-style-type: none"> <li>- Physiological tests under stress; e.g.: ETT, Fetal Contraction Stress Test</li> <li>- Diagnostic Endoscopy w/out risk factors</li> <li>- Deep needle or incisional biopsy</li> <li>- CV imaging studies w/ contrast and no identified risk factors; e.g.: arteriogram, cardiac catheterization</li> <li>- Obtain fluid from body cavity; e.g.: LP, culdocentesis, thoracocentesis</li> </ul>	<ul style="list-style-type: none"> <li>- Minor surgery w/ identified risk factors</li> <li>- Elective major surgery (open, percutaneous or endoscopic) w/out risk factors found.</li> <li>- Prescription drug management</li> <li>- Therapeutic nuclear medicine</li> <li>- IV Fluids w/ additives</li> <li>- Closed treatment of fractures or dislocation w/out manipulation</li> </ul>
<b>High (4)</b>	<ul style="list-style-type: none"> <li>- One or more chronic illnesses w/ severe exacerbation, progression or side effects.</li> <li>- Acute or chronic illnesses or injuries that pose a threat to life or bodily function; e.g.: multitrauma, MI, PE, Psychiatric emergency, Progressive sever RA, ARF, Peritonitis</li> <li>- Abrupt change in neuro status; e.g.: seizure, TIA, weakness or sensory loss.</li> </ul>	<ul style="list-style-type: none"> <li>- CV imaging studies w/ contrast w/ identified risk factors.</li> <li>- Cardiac EPS</li> <li>- Diagnostic endoscopy w/ identified risk</li> <li>- Discography</li> </ul>	<ul style="list-style-type: none"> <li>- Elective major surgery ( open, percutaneous or endoscopic) w/ identified risk factors</li> <li>- Emergency major surgery (open, percutaneous or endoscopic)</li> <li>- Parenteral controlled substances</li> <li>- Drug Therapy requiring intensive therapy for monitoring</li> <li>- Decision to make DNR/DNI or de-escalate care because of poor prognosis</li> </ul>