



The Secret to Understanding Practice Cashflow

by Reuven Lirov, M.A.

Revenue Matters

Dr. Ben walked out of a treatment room whistling, feeling great about the session. His patient, Ryan, had come a very long way since the car accident and was actually going to return to work the following week. But he stopped cold when he saw Luisa sitting at her desk with her head in her hands.

“What’s wrong, Luisa?” asked Dr. Ben with concern.

“I know that I’m pretty good with numbers but some days I can’t make heads or tails of where our finances stand!” Luisa said bitterly.

“Tell me what happened and let’s see if we can talk this out,” encouraged Dr. Ben.

Luisa explained how frustrated she was with the insurance reimbursement process. Since they were still generating reports by hand, she never felt as though she had control of financial matters. Some insurance claims were dragging out for months and, without being sure of when reimbursements

might come, she was having difficulty budgeting—or at least budgeting confidently—for other office expenses.

“I was positive that the claims for Christine Jackson and that handsome young teacher, John Santos, would have come through by now, so I went ahead and began the process of purchasing a new copy machine,” explained Luisa. “You know how frustrated Pam gets when you ask her to copy home care instructions for new patients. But the claim hasn’t come through and we’ve got other major expenses coming down the pike. I just don’t feel like I’ve got a handle on our finances at all.”

Dr. Ben was quite troubled to hear this. The practice was in good financial shape but she had never imagined that tracking insurance reimbursements might cause such trouble for Luisa, who worked so hard to keep the practice’s financial status pinpointed precisely.



“Well, don’t you know by now how long each insurance company’s accounts receivable window is?” questioned Dr. Ben.

“It’s just not that simple!” said Luisa, exasperated. “We accept so many different types of insurance, and each of those companies has plans with various levels of coverage. Plus, you know that some companies are just a lot less helpful than others, so even the smallest error in the treatment code or a line left blank can hold the process back for weeks!”

Dr. Ben thought about that for a minute. It really was unfair to expect Luisa to track all of these things manually.

“The worst thing is that some of our patients are really struggling to pay their bills but, by the time they really understand what their care plan might cost, it’s almost too late for us to even try and help work things out for them,” Luisa finished.

The two looked at each other uncomfortably, Dr. Ben’s satisfaction in his recent treatment

session forgotten. He wished he could simply focus on what he loved to do—to help people feel better—instead of worrying about administrative issues. And he hated to see Luisa so upset.

Might there be a solution to the insurance reimbursement issue at Dr. Ben’s practice?

Where Should We Go Tonight?

Ben and Carmen were having a familiar conversation: what should we do about dinner? They had both returned home from busy days at work, both were a little frazzled and hungry and—as usual—the refrigerator was lacking in appetizing options.

“I’ve heard that the new Indian buffet is very good,” said Carmen. “But it’s downtown and it’s almost 6:30, so there might be a bit of a wait.”

Ben thought about that. “That sounds delicious and we should definitely get there at some point, but I’m too hungry for a long wait.

Why don’t we just go grab some Chinese at our usual place—there’s never a wait there.”

“You know, Ben, we’re never thrilled with our meals there and we’ve tried everything on the menu,” Carmen said. “There’s a pretty good reason why there’s never a wait there.”

They looked at each other testily for a moment—hunger and a lack of accord might become a threat to their nice evening out.

Just then Jonathan came running out of the living room and hugged Ben, happy to see his father.

“Daddy, you’ve got to see my new art book—I drew all of the pictures myself!”

“Of course, Jonathan, I’d love to see it,” Ben said. “Listen, Carmen, I’m going to look at Jonathan’s artwork and then we can go try that new restaurant downtown. It sounds like fun.”

He went into the living room with Jonathan and sat down on the couch with him. He wondered why he was so irritable this evening as he turned the pages of the book.

Ben’s thoughts kept returning to earlier in the week, when Luisa explained the difficulty she was having keeping track of the office finances. Too often they were surprised to learn that some patients had accounts that were past due. And between varying accounts receivable windows



and some insurance companies that were dragging out the reimbursement process due to even minor errors in data entry, it was making confident budgeting impossible.

Ben pondered how difficult it was for him to keep track of crucial patient information until he put a system in place. Between his voice recorder, written notes and meticulously organized files on his computer, he felt confident in his mastery of the most important details for each patient.

But then he thought about how many areas of office management that Luisa was expected to stay abreast of: office supplies, scheduling, working with outside vendors, insurance reimbursements...her plate was truly full, even with Pam's able assistance. And considering that third parties don't always respond when and how you want them to, the level of complexity and the time it takes to handle each task can be multiplied exponentially.

Carmen—who had a business degree and always seemed to be several steps ahead of Ben in understanding the ins and outs of

finance—and he had talked about the program that could automate many of the functions of his office and Ben had been serious about actually following through and implementing it. But there always seemed to be a crisis to attend to... trying to collect from patients who owe balances beyond a certain date, trying to figure out where long-overdue insurance reimbursements were.

Ben knew when he started his practice that it wouldn't only be about attending to patients—he knew there would be crucial administrative work that would have to be handled by his staff.

Luisa had certainly had shown she understood the benefits of having data to inform business decisions. But customization is key when reviewing large amounts of detailed data and it didn't seem like Luisa was tapping the full potential of the system when it came to the billing reports. Ben knew that there were reports that could be broken down in a number of different ways and could be endlessly customized so that they could stay on top of potential problems.

Well, maybe we should take some time to figure it out together, Ben thought. Without getting these reports done—and done right—we really have no idea how well our office is functioning. This sounds like something we should talk about on Monday.

But first he wanted to enjoy a nice dinner with Carmen and Jonathan.

He appreciated how Carmen listened to him talk about the various issues in his office, and she often responded with some great feedback. That business degree had served both of them well over the years.

When Ben had finished looking at Jonathan's artwork and congratulating him on being the next Rembrandt, he found Carmen in the hallway, ready to go—her purse in one hand and a small lunchbox in the other. "What's in the lunchbox, Carmen?" Ben asked.

"Well, since you've agreed to my pick of restaurants, I wanted to reciprocate by packing some snacks for the drive so you won't be starving while we wait for a table," Carmen said with a smile. "I've got some fruit, cheese and crackers, and your favorite—cashews."

Ben took Jonathan's hand and smiled at Carmen, who never failed to make even the most hectic and frustrating day better. "We'd better get going," he said. "Maybe we can be on the lookout for a new Chinese place on our way there."

Both were laughing on their way out the door.

Can Dr. Ben make the commitment to automate his billing reports and take control of his office finances?

Much Ado About Data

As he made his way into work on Monday, Ben was preparing himself to take the next step in his Genesis journey. He knew that the software was going to help in innumerable ways, from records management, to tracking insurance payments, to helping to get patients reinvested in their own care plans. But with reports come data—a TON of data—and what on earth were he and Luisa going to do with all of those numbers?

“Good morning Luisa,” Ben said as he entered the office.

“Hello Dr. Ben—how was your weekend?” asked Luisa.

“It was great,” Ben answered. “Carmen and I tried out the new downtown Indian buffet. It’s really good—and I even have leftovers to enjoy for lunch today!”

“Hopefully Jonathan found something he liked to eat, too,” said Luisa. She stopped for a minute, then continued, “So...have you given any thought to moving forward on Genesis?”

Ben sighed. It was going to be difficult to put this off for any longer. “I know, I know, we shouldn’t wait any longer,” he said. “Before we get started, I’m going to call our coach, Charlie, and ask him a few questions.”

“Let me know if there’s anything I can do,” said Luisa.



Ben placed his lunch in the refrigerator and then went into his office, closing the door. He stared at the phone for a minute and then laughed at himself. Boy, change can really be hard, he thought. He picked up the phone and, within a minute, he was connected with his Genesis coach, Charlie.

“How are things going, Dr. Ben?” Charlie asked.

“Well, we’re doing fine but ... I have to admit, we understand that this software is going to help us manage the office more professionally and efficiently but we’re having trouble taking that last big step and rolling it out,” Ben admitted.

“Oh, you’re not alone,” Charlie said. “Ask me anything—we’re here to help!”

“I guess we’re overwhelmed by all the data,” said Ben. “Neither Luisa nor I are number crunchers, and the reports can get so complex. How

can we be sure that this is going to help us, rather than adding to our already busy workdays?”

“One of the wonderful things about the billing stats report is that it will help you to create consistent, repeatable processes for collecting patient information and assessing billing performance,” Charlie said. “It might be daunting looking at the possibilities from the outside in, but once you’ve got things set up, it will actually help you to get a handle on your office cash flow and more easily identify where—and why—things are being held up in the reimbursements pipeline.”

He continued, “Have you ever looked at your revenue stream over a period of a few months and seen a decline, and panicked? With the billing stats report, instead of trying to go patient by patient, week by week, month by month, and guess what the problems are, you can actually run reports with up to 45 different parameters and pinpoint where exactly in the process things are breaking.”

“I don’t see how that is possible,” protested Ben.

“Let me put it this way: you can run a 60-day report and get a breakdown of the status of each claim,” said Charlie. “If the claim is not at the insurance company, then you’ll be able to figure out if you’ve got an intake problem, if your claims are going out in a timely fashion, or if there are issues with the information you’re sending out with the claim. You can also look at which CPT codes are getting paid or underpaid. With the power of accurate statistics, you can have the right conversations with front desk staff, your office manager and billers.”

“What’s also great is that with the radar chart, you can set parameters for your practice,” Charlie continued. “If you get to a point where everything is within the parameters you’ve set, then you will render the billing stats report unnecessary. That’s a terrific thing about Genesis—we help you achieve best practices in your office management so that you can be in control of your practice and focus more on your patients.”

“That’s exactly what we want,” said Ben. “I don’t know anyone who went into medicine so that they could spend most of their day staring at a computer screen!”

“But do you want to hear the most wonderful thing of all about Genesis?” Charlie asked.

“Of course,” said Ben.

“Whenever you have a question, a concern or simply want to talk through some numbers that don’t seem to make sense, you can call me,” Charlie said. “We are committed to being here when you need us.”

“Well, that is the most wonderful thing I’ve heard all day!” laughed Ben. “I can’t thank you enough for your time today.”

After a few more minutes of small talk, Ben emerged from his office and walked toward Luisa, who knew just by looking at him that change was afoot.

“That must have been some phone call,” said Luisa.

“It was,” smiled Ben. “I think we’re ready to begin our Genesis adventure—together!”

Is Dr. Ben ready for launch?

Prepare for Launch

As Ben sipped his coffee and checked his email, Luisa peeked her head into the doorway and asked, “Are you ready, Dr. Wilson?”

Ben smiled and said, “I’m not sure, but let’s go ahead anyway.”

Luisa dialed the phone number for Charlie, their Genesis coach. After a couple of rings, Charlie picked up on the other end.



LAUNCH

“Good morning,” he said cheerfully. “So today’s the big day!”

“Hello Charlie,” laughed Ben. “It sure is. And I think we’re finally ready.”

“Then let’s get started—we’re going to talk about the features of Genesis that will be most useful for your practice and offer that final bit of reassurance that you’re doing the right thing,” Charlie said. “They don’t call me the King of Practice Success Coaching for nothing!”

“OK Charlie, we’re ready,” said Ben. “Let’s go through this one last time.”

“Let’s start with the ‘why’ of the Billing Stats Report, and relate it to some of the challenges you may be experiencing in your practice,” Charlie said. “You’re doing pretty well financially but have you ever experienced any sudden drop-offs in revenue that you couldn’t easily explain?”

Luisa and Ben looked at each other and could remember several occasions when that was the case.

Just a few months ago they had seen a significant and disturbing reduction in revenue and it had taken weeks of going through billing records, manually, to learn that Pam had been writing the wrong billing code on a number of Ben's patient files. Every single one of those claims was delayed or denied outright. They were still trying to get some of the accounts sorted out.

"Yes, we've found it very difficult to troubleshoot issues with reimbursements," admitted Luisa. "And it's not always the insurance companies' fault—getting even one number wrong in the coding or forgetting to include important documentation can really impact our success in collecting what we're owed."

"Exactly, it's about achieving billing compliance AND payer compliance," Charlie said. "But it's important to recognize that the insurance companies are not going to give you a step-by-step reporting on the progress of your claims – it's better for them if you're not able to stay on top of the process."

"I'm sure I've mentioned to you before that the chance of getting paid on a claim decreases by 1 percent with each passing day," he continued. "That 1 percent adds up really quickly when you're talking about an entire practice's worth of patients and numerous claims."

Ben and Luisa both had to swallow hard at the thought of the tens of

thousands of dollars they had lost due to reimbursement issues.

"It really is amazing the detail you can get," Charlie said. "The reports are customizable to your particular needs and will tell you where problems are—whether on your end or the insurance company. Perhaps there are two codes on a claim that don't quite go together, or a clinician forgot to include some demographic information in the claim...or maybe an insurance company is consistently underpaying certain CPT codes, or pushing the boundaries of its accounts receivable window. You can't fix problems until you know what they are!"

"That's true," said Ben. "I definitely don't envy Luisa—she's been an incredible investigator when it comes to solving cash flow mysteries but the time she has needed to dedicate to these investigations has definitely taken crucial time away from other office management needs."

"If the roots of billing problems were easy to find, we'd be able to deal with them quickly and decisively," said Luisa. "You know how I love to have a plan!" Ben nodded and smiled.

"And it's not just insurance companies," Charlie said. "You can stay on top of private payers, as well, and make sure that your patients are on track with visits and billing."

"That would be really helpful," said Luisa. "We've had several patients who were significantly behind and once we figured out where their accounts stood, it was a real financial hardship for them to try and catch up all at once."

"But it's not all about reimbursements—what's great about Genesis is that it provides you with a checklist for all of your performance indicators, such as unbilled visits, patient visits, no shows, unfinished claims, or any other success measures you'd like to track," said Charlie.

"Another great feature is the radar chart, which allows you to see certain areas within your practice where attention may be needed," he continued. "You can set parameters, such as new patient numbers, so that you will know if you're not meeting your goals. Once you've set the desired parameters for a number of performance indicators within your practice, then you won't need to refer to the Billing Statistics Report—unless the radar indicates there is a problem with performance. Between the radar and the Billing Statistics Report, you are going to be firmly in control of your practice's financial health and performance."

"This is incredible," mused Ben. "Being able to focus on building this practice instead of worrying about when reimbursement checks are going to arrive? I really didn't think it was possible."

“I know you’re still probably a little intimidated about getting started but let me offer this final testimonial: In the past three years, my clients have seen average revenue growth of over 186 percent, patient visit growth of over 141 percent, and an 86 percent increase in patient visit compliance,” Charlie said. “Your patients will have more buy-in with regard to their own health care, you will have less administrative work to slog through, you will collect more money and—best of all—you will be able to spend more time with your patients.”

“Well, that’s what we’re all here for,” said Ben. “Let’s do this!”

Is Genesis the solution Ben’s been waiting for?

What Would You Do?

Some advice from the Genesis community

Ben needs his software to work for him. He can’t even enjoy dinner with his family because he has no idea what is going on in his practice... who has an outstanding balance, who does not have a future appointment, who had a declined automatic payment, do claims need attention, is Luisa my Office Manager completing all of the necessary tasks? It is impossible to memory manage the thousands of tasks that are required to effectively manage a practice. I work with my clients to implement Workflow. This exclusive set of automated tools ensures that all aspects of patient relationship management, documentation, scheduling, billing, and many other crucial elements are addressed and not lost or ignored. Workflow promotes accountability, transparency, and most importantly the ability to leave the office and enjoy your life without the burden of the unknown.

—Candace Coleman

Ben does not need to manage by crisis. He is spending too much time trying to figure out everything that needs to be done. Let the software automate the process and open tasks when needed. This will give Ben more time to treat his patients.

—Charles Pritchard

While making a major change can be scary you don’t have to go it alone with Genesis. You will have a Coach and the entire Genesis team who is with you every step of the way guiding you and making sure that you are not alone on the island.

—Heather Miller

Starting an entirely new way to run your office and think about your business is extremely daunting. There’s no denying that. But in the long run if you want to spend more time with your patients, earn more money, have greater retention and have peace of mind that you have an entire team standing behind you then this is the RIGHT solution for you.

—Josh Wolf

Managing your practice; tracking patients, updating accounts, keeping an eye on your insurance charges and payments and managing claims, all this while treating patients is a very challenging task. Having Genesis will alleviate much of this for Ben and will help him to focus on patient care and practice growth. The goal of every practitioner.

—Tim Elphinstine

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