

Overview

Practice

Smithville Medical Associates
Galloway, New Jersey

Practice Profile:

A two-physician practice specializing in practice and internal medicine.

Practice Problem:

In 2005, Smithville Medical Associates struggled to resolve troublesome cash flow problems. Its billing company used was not submitting claims timely, which delayed payments and made it difficult for the practice to meet financial obligations.

Solution

Adoption of NextGen Healthcare's Practice Solutions services allowed the practice to automate all stages of the revenue cycle. Within weeks, claims were submitted on time, with fewer rejections or denials. Cash flow increased nearly 50% and physicians could focus on patient care instead of the bottom line.

Service Distinctions:

- ▶ Turnkey RCM functionality
- ▶ Robust claims editing and processing
- ▶ Payment posting
- ▶ A/R follow-up with payers and patients
- ▶ Standardized and ad-hoc reporting

Benefits

- ▶ Improved cash flow
- ▶ Decreased costs associated with RCM
- ▶ Reduced claim rejections and denials
- ▶ Ensured comprehensive charge capture
- ▶ Delivered rapid return on investment

Turnkey RCM Streamlines Claims Processing and Relieves Cash Flow Concerns

When the pace of dollars flowing out of Smithville Medical Associates began to overtake the rate of reimbursement coming in, Dr. Ramchand Thadhani realized he needed to investigate a new approach to revenue cycle management (RCM). The practice's current billing company was not filing claims correctly, resulting in sluggish reimbursement that restricted Smithville Medical Associates' ability to pay its own bills.

Dr. Thadhani found his answer in NextGen Healthcare's Practice Solutions, which offers a wide range of RCM services – from eligibility checking to billing to A/R management. Within weeks, cash flow had stabilized while the number of outstanding, denied, or rejected claims decreased significantly.

“ NextGen Practice Solutions has helped us achieve two important goals: to serve our patients better and to ensure that our practice is financially stable. ”

~ Ramchand Thadhani, MD

Cash-flow bottleneck jeopardizes ability to deliver quality care

Smithville Medical Associates had relied upon a privately owned billing company for several years, but realized in 2005 that this vendor's performance was hindering its ability to provide effective care. The service seemed unable to file claims in a timely manner and, when claims eventually were submitted, they often contained errors or triggered problems. As a result, the practice experienced serious delays in payment – in some cases, claims languished for a year.

Determined to turn Smithville Medical Associates' cash flow problem around, Dr. Thadhani began to seek alternatives. He conducted an Internet search for advanced healthcare information technology that could provide the required RCM services. Armed with a list of possible partners, he then consulted with the American Academy of Family Physicians (AAFP), which had evaluated and made recommendations regarding the best systems. These activities – in addition to discussions with colleagues – led Dr. Thadhani to choose NextGen.

Wide range of RCM services

NextGen Practice Solutions allows Smithville Medical Associates to follow claims – and pending payments – from start to finish. A wide range of services are offered, including:

- ▶ electronic eligibility checking – ensures that patients are covered for the services they are about to receive;
- ▶ charge capture – confirms that all costs are recovered and that all services are billed at the proper level;

“After implementing NextGen Practice Solutions, claims were filed on time and payments were received more quickly. Within weeks, our cash flow problems were nearly resolved. ”

Ramchand Thadhani, MD

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- ▶ claims scrubbing – checks claims against national, state and payer-specific edits to avoid denials resulting from bundling issues, age or gender discrepancies, or medical necessity restrictions;
- ▶ claims submission – files HIPAA-compliant claims electronically to shave weeks off processing;
- ▶ payment posting – alerts the practice that payment has been received by linking a copy of each EOB directly to the encounter as soon as payment is posted; and
- ▶ A/R follow-up with payers and patients – checks all outstanding balances to minimize payment delays.

In addition to the advanced functionality exhibited by NextGen Practice Solutions, Dr. Thadhani was impressed with NextGen Healthcare’s customer service. Company representatives were available to answer all questions throughout the selection process, and the services are supported by extensive customer support options.

NextGen Practice Solutions can also be fully integrated with NextGen Healthcare’s electronic medical record (EMR) system, another technology advantage Smithville Medical Associates was seeking. The practice plans to begin using an EMR shortly after resolving its billing issues and moving into new office space, recognizing the benefits that linking the two systems can provide. For instance, coding and charges will be forwarded directly from NextGen EMR to the billing software immediately after a patient encounter, with the goal of increasing efficiency and profitability.

After selecting NextGen Practice Solutions, Dr. Thadhani met with practice staff to outline the features and benefits of the services and to answer questions. While staff members were a bit hesitant to undertake the transition to another electronic system, they also realized the potential benefits Practice Solutions could provide – and that solving their current RCM and cash flow problems would eventually make their jobs less stressful.

The initial meeting was followed by implementation planning and training on the new system. Training was conducted in phases – the billing components were covered first, for instance, followed by the appointment scheduling module – to ensure staff was comfortable with each activity.

NextGen representatives, including certified medical billers, provided on-site training. In addition, trouble-shooting and problem-solving assistance was available by phone throughout the process.

Claims submitted 35% faster

Implementation of NextGen Practice Solutions proceeded smoothly, and Smithville Medical Associates began to reap benefits almost immediately. Most notably, billing was done on time and practice staff was able to monitor claims processing on-line, 24 hours a day. If problems arose, they could rework and resubmit claims within a few hours. NextGen Practice Solutions provided the capability to file secondary claims as well – a service Smithville Medical Associates’ previous billing company was unable to provide.

In fact, Smithville Medical Associates found that claims were filed 35% faster and rejections dropped 50%. In addition, staff was notified about problems and able to refile claims 50% faster than before.

The practice has also utilized the extensive on-demand reporting capabilities offered by NextGen Practice Solutions. This service provides standard reports that show an overview of claims status, payment rates, and rejections, among others. In addition, Smithville Medical Associates can customize reports that meet its unique needs. For instance, it can analyze income generated from patients seen in the office compared with charges resulting from services provided to patients in the hospital or the local skilled nursing facility. Similarly, Smithville Medical Associates is able to generate reports on each payer, to investigate whether each is providing reimbursement in a timely manner and complying with their contracted rates for specific services.

In short, Smithville Medical Associates couldn’t be happier with NextGen Practice Solutions. The practice’s financial situation has been stabilized and a rapid return on investment has been realized. And even greater benefits are anticipated when NextGen EMR is ultimately integrated with the RCM functionality.