Setting Practice Standards with Benchmarking Data

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Crystal Miner and Michelle Mattingly do not have any financial conflicts to report at this time.
Learning Objectives

- Determine the most beneficial areas to benchmark (KPIs)
- Outline how and when it is appropriate to benchmark
- Develop action plans based on benchmarks

How to Benchmark

If you don’t measure it, you can’t manage it

- To know where we are and how far we have to go
- To see the value of what we have
- Prove/disprove a theory
- Find new ways to do things
## How to Benchmark

### Four Types of Benchmarking

- **COMPETITIVE** - DataDive
- **INTERNAL** – We all do it
- **FUNCTIONAL** – Check-in at Hotels
- **GENERIC** – Disney, Air travel, Restaurants

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### Data

- Excel, Spreadsheets
- Reports/Graphs
- Formulas

### Ideas/Thoughts

- Perspectives
- Opportunity costs
- Workflows
MGMA DataDive

- Web-based platform equipped with basic and robust reporting and analysis tools
  - Data broken out by specialty
  - Filtering capabilities including ownership, geographic region, practice size, etc.
  - Percentiles between 10-90, graphing and advanced reporting capabilities
- DataDive datasets include:
  - MGMA DataDive Provider Compensation
    - Physician-owned, hospital-owned and academic practices
    - Physician and nonphysician provider compensation and productivity metrics
    - Providers newly hired and established providers
  - MGMA DataDive Management and Staff Compensation
  - MGMA DataDive Cost and Revenue
  - MGMA DataDive Practice Operations
  - MGMA DataDive Better Performers
Key Performance Indicators

Group Discussion

Key Performance Indicators

Operations

- Wait-time
- No Shows (%)
- Patients seen, Appointment types
- RVUs, Production
- # of Patients, # New, # Procedures
- Visits/day, Visits/provider
- Days worked per provider

- Utilization of schedule
- Admissions, Readmission rate
- Occupancy rate
- OR turnaround
- Missed charges
Key Performance Indicators

Finance

- Expenses
- Operational
- Indirect
- Budgets
- Charitable donations
- Fundraising expenses vs Funds Raised
- Gross collections
- Net collections
- Collections per provider
- Cost per visit/procedure
- Denial rate
- Payer Mix (break it down)
- Days in AR (break it down)
- Total AR (break it down)
- Referrals
- Fee schedule (contracts)

Human Resources

- Wages/Benefits
- Employee satisfaction
- Turnover rate
- Support staff/physician FTE

Marketing

- Activities performed vs New patients gained
- Referral management
- Patient satisfaction
- Social media presence
- Patient demographics
Key Performance Indicators

**Patient Care**
- Wait time
- Arrival to – Bed, Nurse, Physician, Discharge
- Code response time
- Patient care hours
- Incidents
- Patient follow up
- CPT utilization – E&M, Procedures, Surgeries
- ICD10 utilization
- Hospital acquired conditions

**Clinical Quality Measures**
- Immunizations
- Cancer screenings
- Tobacco usage
- Meaningful Use Measures – PQRS – MIPS/MACRA
How to Choose KPI

Remember the Rules

- KISS
- 80/20 Rule
- Measure to Manage
- Value it to Change it

Benchmarking

How To with DataDive
How to Benchmark - REALLY

1. Select a process to measure
2. Gather baseline data from practice (current/past)
3. Gather current comparative data (4 types)
4. Find goal – Industry standard (mean or median) vs Best Practice standard*
5. Determine gap between practice baseline and goal
6. Set action plan

*Remember to set SMART goal – May mean NOT reaching industry standard as soon as liked

Journey of a thousand miles begins with one small step – Lao Tzu

MGMA DataDive

Using MGMA DataDive to Benchmark

• It’s not one-size fits all
• Typically requires the use of multiple metrics and/or multiple datasets
• Example KPIs: Days in A/R and Staffing
Days in A/R and Staffing

Mean Days in A/R for Primary Care Practices

<table>
<thead>
<tr>
<th>Days in A/R</th>
<th>Physician Owned</th>
<th>Hospital/IDS Owned</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30 days in AR</td>
<td>70.59%</td>
<td>51.38%</td>
</tr>
<tr>
<td>31-60 days in AR</td>
<td>11.88%</td>
<td>11.34%</td>
</tr>
<tr>
<td>61-90 days in AR</td>
<td>5.62%</td>
<td>8.45%</td>
</tr>
<tr>
<td>91-120 days in AR</td>
<td>3.78%</td>
<td>5.98%</td>
</tr>
<tr>
<td>120+ days in AR</td>
<td>8.13%</td>
<td>22.85%</td>
</tr>
</tbody>
</table>

Median Support Staff per FTE Physician for Primary Care Practices

<table>
<thead>
<tr>
<th>Staff Type</th>
<th>Physician Owned</th>
<th>Hospital/IDS Owned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total business operations support staff</td>
<td>0.81</td>
<td>0.45</td>
</tr>
<tr>
<td>Total front office support staff</td>
<td>1.31</td>
<td>1.82</td>
</tr>
<tr>
<td>Total clinical support staff</td>
<td>2.09</td>
<td>1.71</td>
</tr>
<tr>
<td>Total ancillary support staff</td>
<td>0.33</td>
<td>0.55</td>
</tr>
<tr>
<td>Total support staff</td>
<td>4.57</td>
<td>3.64</td>
</tr>
</tbody>
</table>

Source: 2017 MGMA DataDive Cost and Revenue

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Comparing Your Data

ABC Group – Physician-Owned, Primary Care Practice

<table>
<thead>
<tr>
<th>Days in A/R</th>
<th>ABC Group</th>
<th>Rank</th>
<th>MGMA Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30 days in AR</td>
<td>52.00%</td>
<td>&lt;10th %tile</td>
<td>70.59%</td>
</tr>
<tr>
<td>31-60 days in AR</td>
<td>11.00%</td>
<td>42nd %tile</td>
<td>11.88%</td>
</tr>
<tr>
<td>61-90 days in AR</td>
<td>5.00%</td>
<td>40th %tile</td>
<td>5.62%</td>
</tr>
<tr>
<td>91-120 days in AR</td>
<td>3.00%</td>
<td>Median</td>
<td>3.78%</td>
</tr>
<tr>
<td>120+ days in AR</td>
<td>29.00%</td>
<td>&gt;90th %tile</td>
<td>8.13%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ABC Group</th>
<th>Rank</th>
<th>MGMA Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total business operations support staff</td>
<td>0.50</td>
<td>16th %tile</td>
</tr>
<tr>
<td>Total front office support staff</td>
<td>1.50</td>
<td>58th %tile</td>
</tr>
<tr>
<td>Total clinical support staff</td>
<td>2.00</td>
<td>45 %tile</td>
</tr>
<tr>
<td>Total ancillary support staff</td>
<td>0.00</td>
<td>N/A</td>
</tr>
<tr>
<td>Total support staff</td>
<td>4.00</td>
<td>35th %tile</td>
</tr>
</tbody>
</table>

Source: 2017 MGMA DataDive Cost and Revenue
How Many More FTEs?

Quartiles Grouped by Work RVUs for Primary Care Single Specialties

Source: 2017 MGMA DataDive Cost and Revenue

How Many More FTEs?

<table>
<thead>
<tr>
<th>Work RVUs</th>
<th>1st Quartile Min</th>
<th>2nd Quartile</th>
<th>3rd Quartile</th>
<th>4th Quartile Max</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$5.005</td>
<td>6.655</td>
<td>8.735</td>
<td></td>
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<table>
<thead>
<tr>
<th>Patient accounting</th>
<th>1st Quartile 10thtile</th>
<th>2nd Quartile 25thtile</th>
<th>3rd Quartile 50thtile</th>
<th>4th Quartile 75thtile</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.07</td>
<td>.11</td>
<td>.03</td>
<td>.14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total business operations support staff</th>
<th>1st Quartile 10thtile</th>
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<th>3rd Quartile 50thtile</th>
<th>4th Quartile 75thtile</th>
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<td>.22</td>
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<th>Total support staff</th>
<th>1st Quartile 10thtile</th>
<th>2nd Quartile 25thtile</th>
<th>3rd Quartile 50thtile</th>
<th>4th Quartile 75thtile</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.11</td>
<td>2.23</td>
<td>2.75</td>
<td>3.66</td>
</tr>
</tbody>
</table>

Source: 2017 MGMA DataDive Cost and Revenue
Hiring Additional Staff

Median Total Compensation

- Billing Manager: $57,000
- Coding Manager: $66,796
- Patient Accounting Manager: $53,513
- Billing Specialist: $35,512
- Coding Specialist: $42,523
- Accounting Staff: $42,000
- Billing Staff: $35,061
- Certified Professional Coder: $43,072

Management Staff:
- Monitors daily operating activity of department and makes adjustments as necessary
- Responsible for addressing policies, procedures and department problems

Specialist Staff:
- Responsible for performing daily department responsibilities

Billing Specialist: Responsible for submitting claims and following up with insurance companies;

Coding Specialist: Responsible for coding, auditing and maintaining fee schedules

Other Support Staff:
- Responsible for assisting Specialist Staff with daily responsibilities

Certified Professional Coder: Responsible for analyzing and coding patient encounters using the appropriate classification systems, standards and procedures; Confers with providers to assure complete, current medical records

Additional Billing Benchmarks

Median for Primary Care Practices

- Commercial claims biller posted per day: 76
- Government claims biller posted per day: 40
- Follow-up claims biller posted per day: 8
- Total claims biller posted per day: 130
- Percentage of practice claims denied on first submission: 3.00%
- Charge-posting lag time between date of service and claim drop date to payer: 3.11
Action Plan

Creating the Plan

1. Determine reason for gap
2. Team to find solutions
3. Pick 1-2 solutions to try
4. Assign responsibilities
5. Measure progress
6. Did they work? Find new solutions if not, repeat 4-5
7. Reset goals as appropriate
8. Go back to 1 and repeat as needed
Continuing Education

ACMPE credit for medical practice executives .......... 1.5
* AAPC Core B, CPPM credit ........................................... 1.5
ACHE credit for medical practice executives ............... 1.5
CME AMA PRA Category 1 Credits™ ......................... 1.5
CNE credit for continuing nurse education ................. 1.5
* CPE credit for certified public accountants (CPAs) ...... 1.8
CEU credit for generic continuing education ............... 1.5

Let the speakers know what you thought!
Evaluations will be emailed to you daily.

Thank You.

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