



MEDICAL MANAGER

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Important Year End Questions

- Where does your office stand financially for 2009?
- Do you know the costs of your procedures and are you charging accordingly?
- Are you prepared for tax time?
- How efficient is your billing and coding process?
- Are there any unaddressed staffing issues?
- What are the new applicable laws, and is your office compliant?

WELCOME TO MEDICAL MANAGER

Welcome to the first issue of Medical Manager! We hope you find this periodic newsletter from MD Alliance Billing, LLC to be informative and interesting. This newsletter is a free service to the medical professionals in the Texas Hill Country area and beyond. At MD Alliance Billing, we provide a comprehensive practice management solution for your office including billing, human resources, tax, budgeting and accounting services. As medical professionals, your focus should be caring for your patients, but all too often the challenges of running a business interfere with your ability to give them the best care possible. At MD Alliance Billing, we can partner with you to provide those business services so you can focus on doing what you do best—caring for the patients who depend on you.



Each issue of Medical Manager will present topics of importance to the management of your medical office. We will offer tips and advice along with pertinent information on any updates in compliance laws that you should be aware. If you are interested in discussing what MD Alliance Billing can do for you and

your practice, do not hesitate to call us—we are here to help. Also, please feel free to contact our offices with any questions about our newsletter. Thanks—have a wonderful holiday season and very happy New Year!
Cloe Sill
President
MD Alliance Billing, LLC

YEAR END PLANNING AND REVIEW

It's that time of year again. The weather is getting colder, the days are getting shorter, and the time for year end preparation and next year planning is underway. At MD Alliance Billing, LLC, we have the knowledge

and expertise to help your office run smoothly and efficiently. In this issue, we provided some helpful tips and information to get you started with your year end planning. These are important areas to consider when reviewing your office's effectiveness and efficiency. Today's

doctors office's are busy places. We hope this newsletter provides useful guidelines that you can implement to make your practice ready for success in 2009.

“Knowing where you are today can help you plan more effectively for tomorrow.”

“Year end preparation can help make tax time go much more smoothly.”

“Know the cost to your practice for all procedures and charge accordingly.”

BUDGET

With the year end in sight, it is time to evaluate your office’s financial position, and prepare your budget for 2009. Budgets are a necessity, especially in larger practices. They must be monitored to make sure spending is kept under control. You need to know where your money is going.

A detailed evaluation of your current situation will help you to know if you budgeted appropriately this year. Knowing where you are today can help you plan more effectively for tomorrow.

Consider the following areas:

- Accounts receivable—do you know the state of your accounts?
- Yearly increases—what will be your percent cost and income increase for 2009?
- Goals – what is your profit margin goal?
- Cost containment—do you have cost containment controls in place? Is your staff aware of cost containment? As an incentive, offer a bo-



nus to any staff member who comes up with a cost containment idea that works.

Careful planning today can help your practice achieve its financial goals tomorrow.

TAX TIME

Before we know it, those W-9s, W-2s, and 1099s will start marching back into our lives, and now is the time to get ready. Year end preparations can help make tax time go much more smoothly. Some questions to consider:

- Have you done all your year end preparations

in order to process forms for employees such as W-2s and 1099’s?

- Have you consulted with your accountant about upcoming tax changes that might affect you?
- Have you properly booked all new assets such as equipment?

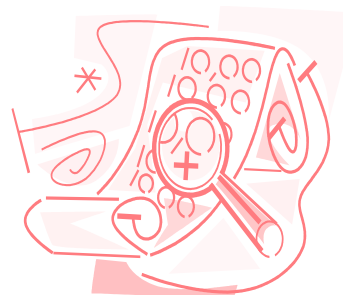
- Have you done a physical count of all inventory, if applicable?
- Have you reconciled all bank accounts, notes, LOC, and credit cards?

Be ready for tax season!

FEE SCHEDULES

Do you know the cost to your practice for all procedures, and are you charging accordingly? Many practices are operating on outdated fee schedules, and their offices are suffering because of it.

- Are you competitive? Know the standard fee schedules for your office’s procedures.
- You should have fee



analyzer software in place. This needs to be updated annually.

- You should plan on a 2-3% increase in fees each year. Your costs are increasing — your fees should be increasingly accordingly.

Keeping current fee schedules will ensure that your office is charging patients appropriately and can help result in more profitable practice overall.

BILLING AND CODING

Not only is it important to do an audit of your financial position at the end of the year, it is also critical to reevaluate your billing and coding procedures to make sure you are following the strict guidelines for documentation. In a busy office, sometimes these guidelines are not followed consistently, and it is a must.

Review the following:

- Do you have the required documentation to back a claim? History—problem focused, expanded problem focused, detailed,

comprehensive?

- History of Present Illness (HPI), Review of Systems (ROS), and Past, Family, and/or Social History



(PFSH) must be met, and a Chief Complaint (CC) is indicated at all levels.

- Does your office know if you are using the 1995 or 1997 Examination Guidelines?
 - Are you documenting the complexity of the medical decision making—straight forward, low, moderate, or high??
 - Are you documenting level of risk— minimal, low, moderate, or high?

“It is critical to reevaluate your billing and coding procedures to make sure you are following the strict guidelines for documentation.”

HUMAN RESOURCES



Human resources is another important area of

year end review. Your staff are critical to the success of your office. Make sure you have done a careful review of the following:

- Job descriptions—are they up to date? Do they reflect what the staff actually does?
- Employee Manual—is it

up to date? Do you need any addendums?

- Are you up to date on your HR file requirements?
- Do you conduct year end employee reviews?
- Have you updated your office’s policies and procedures?

“Your staff are critical to the success of your office.”

Medical Manager Minute

Are you processing your ABN forms correctly? The Advance Beneficiary Notice of Noncoverage is an important document that helps protect both you and the patient in the event that the patient’s insurance does not cover all charges. Make sure your office is having all patients complete this form properly and that patients understand before services are rendered that they will be responsible for any uncovered costs. Your patients will feel more informed, and you will increase your profit margin.

WHAT’S NEW—ARE YOU UP TO DATE?

- Prompt Pay Federal Law— this law ensures the payments to agencies are made in timely manner. The interest rate for late payment has recently increase to 5.125% - see www.fms.treas.gov/prompt/index.html for more information.
- Check out www.hhs.gov/ocr/hipaa for information on any

updates in HIPAA Privacy Acts that will affect your practice. Guidelines on the importance of a patient’s approval in communications with friends and family members as well as procedures for national and state emergencies have been updated. New brochures about privacy rights are also now available in other languages.

- Visit Medicare at

www.trailblazerhealth.com for updates on billing, coding, fee schedules, and other important information. The 2009 Medicare Fee Schedule is now available on the site.

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YEAR END TIPS

- Make sure your office has an up to date, workable budget. Review this year's budget to determine and necessary changes.
- Know where your accounts receivable stand and establish cost containment controls—know where your money is going.
- Review fee schedules—know the cost to your practice for all procedures and charge accordingly.
- Plan ahead and make preparations now in order to ensure tax time goes smoothly.
- Reevaluate and audit your records to make sure you are following strict guidelines for billing, coding, and documentation.
- Do a comprehensive Human Resources review including Employee Handbook and job description updates and year end employee reviews.
- Make sure you are aware of any changes in laws that affect your practice including new HIPAA Privacy Laws and Prompt Pay.
- Make sure your office is having all patients complete the ABN forms and that they are being processed properly.
- Contact MD Alliance Billing, LLC if we can help your office with practice management consulting, billing and coding, and other office management related services that can help you focus on serving your patients better.

