10 Tips for a Successful Strategy

Chapter FastFACTS

1. **Connect with your state medical associations and national professional societies to keep up on the health reform debate, deadlines, and requirements.**
2. **Focusing on changes being implemented now ensures you won't miss out on any opportuntities for cost savings or incentives.**
3. **Many consider the EHR the foundation of everything yet to come with health reform.**
4. **The ACA contains hundreds of new rules with details still to come.**
5. **Health reform counts on teamwork to help cut costs, improve quality, and increase access.**

Family physician Dr. Melton uses a surfing metaphor when discussing the daunting task of preparing his primary care practice for survival and even success under health reform: "You want to be on the wave. You don't want to be behind it, but you don't want to be ahead of it, either." If you're behind it, he explains, your practice might not survive, swamped by changes in reimbursement and inundated by a flood of patients. If you're too far ahead, the practice may have wasted precious time, money, and energy preparing for something that never happens while paddling hard in the wrong direction.

Since the changes inherent in health reform are massive, somewhat amorphous, and subject to revision, physicians need

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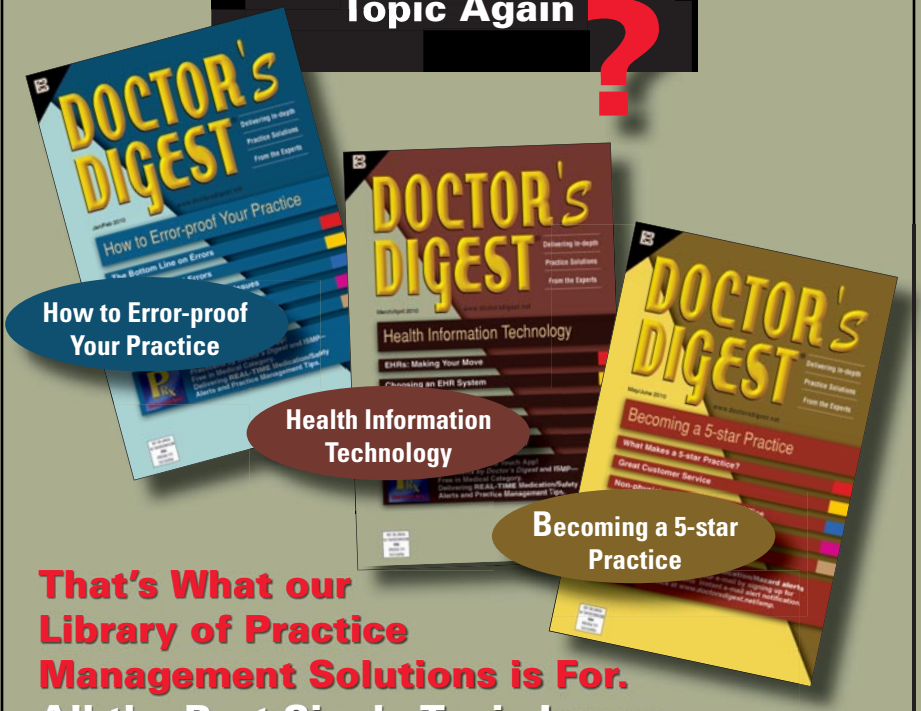

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a pragmatic strategy for preparing for the new order. Dozens of consultants, health policy experts, and physicians who talked to *Doctor's Digest* offer the following tips:

1. Turn off the news.

In the view of many longtime health policy watchers, the current political debate's extreme polarization is generally uninformative—and sometimes purposely misleading. "Right now we just have the extremes shouting at each other, and they suck the air out of the room; and the vast middle group gets turned off," says Barry R. Silbaugh, MD, CEO of the ACPE. "The discussions on both ends are designed to stop the conversation."

As a result, the first thing you should do is focus on the consensus around many parts of the health reform law (e.g., incentives and penalties). "I don't think it makes any difference if you are a Republican or a Democrat or a Tea Partier, people do not think the fee-for-service system is sustainable," Dr. Silbaugh says. "And most physicians would also say that is right."

2. But tune in.

It's more important than ever to be plugged into your state medical associations and national professional societies, which are watching ongoing political and regulatory developments. There is no way to keep up by yourself. CMS is issuing new regulations nearly every week; state budgets are in flux; health systems and insurance companies are announcing mergers, acquisitions, and strategic alliances monthly. "With information, doctors are good decision makers," says John R. Thomas, president and chief executive officer of MedSynergies, a national healthcare consulting company headquartered in Irving, Tex. "But you can't make good decisions when you are emotional, exhausted, surprised, and don't have a basis for decision making."

A first step is to attend all of your hospital medical staff meetings, Dr. McGeeney says. "Don't miss a meeting, because the hospitals are going to be setting up committees around how money is going to be distributed, about accountable care and shared savings. If only the specialists are going to the medical staff meetings, that is where the money is going to flow.… Primary care needs to have a presence and needs to be visible."

3. Do first things first.

Health reform will roll out over many years with more immediate requirements largely laying the foundation for later transformation. In addition, a number of programs first offer incentives to make changes, then impose penalties in later years. Therefore, according to Anders M. Gilberg, vice president for public and private economic affairs in the Washington, D.C., office of the MGMA, a useful strategy is to group tasks into three categories and address them in the following order:

The immediate: EHR implementation, the e-prescribing requirement, new preventive medicine billing codes, and the conversion to ICD-10 and the Version 5010 transaction standard that will affect all billing and coding starting next year.

The intermediate: ACO and medical home demonstration projects that will begin over the next few years.

Longer-term developments: Access to health insurance and the effect on doctors' practices if there is the expected influx of newly insured patients starting five years from now.

"I tell physicians to tune out the noise and focus on the here and now," Mr. Gilberg says. Otherwise, he says, you are both missing opportunities—such as meaningful use EHR incentive payments this year—and exposing yourself to risks, such as a 1% penalty from Medicare next year if you don't begin e-prescribing in the first six months of 2011 and submit 10 codes showing that you successfully e-prescribed.

4. Go electronic. Get online

Consider an EHR the foundation for everything to come, Dr. Melton says. Without it, it will be impossible to coordinate care, track quality, and interact with patients at the levels expected by health reform. In addition, says Dr. Pho, "Any ACO, medical home, or other future care model is going to heavily depend on health IT" to measure risk and manage care.

Since the government is now offering both monetary incentives to implement health IT and potentially free consulting help through its new Health Information Technology Regional Extension Centers (RECs), there's an extra reason to do what you are ultimately going to have to do anyway to be able to practice 21st Century medicine. If practices haven't done so, they should reg-

ister with CMS to indicate that they intend to receive subsidy payments this year for installing and meaningfully using EHRs. To receive an incentive payment, providers must be registered in the Provider Enrollment, Chain, and Ownership System. For more about EHRs, Medicare's eRx Incentive program, and RECs, see the March/April 2011 issue of *Doctor's Digest*, "The EHR: HITECH and Your Practice," at *http://www.doctorsdigest.net/issue/0702.php*.

5. Know the rules and timetables

The ACA contains hundreds of new rules, and all take effect at various times over the next four years. The law is a moving target, and a lot of detail is left unstated in it, which means additional government regulators will be determining much of what is going to happen. "It says over 1,000 times in the law: 'to be determined by the secretary' of HHS," Dr. Browne says. "The only thing that is certain is that things aren't going to stay the same."

This means physicians should follow guidance from their professional societies and keep abreast of which deadlines and requirements exist for specific programs. For instance, among health law provisions rolling out this year are new Medicare-paid wellness visits. Coming up shortly are new rules affecting quality reporting under PQRS and e-prescribing.

6. Focus on efficiency

No matter what happens with the specifics of health reform, the overall trend in healthcare is the need to do more with less. If savings can't be earned by the kinds of delivery system transformation proposed under health reform, consultants predict greater cuts in the Medicare fee schedule.

Consider this common example, from MGMA consultant Mr. Hertz: Practices complain all the time that they are swamped by hundreds of phone calls a day. Think how many of those calls would be unnecessary if you tweaked some small detail in your office. "Why don't you have the nurses when they room the patient ask if [the patient] needs any prescriptions refilled?" Mr. Hertz suggests. "And why don't you have the checkout desk say, 'I hope you had a good visit today; and by the way, did you need any refills, and did you get them?'" That exchange alone could

save the practice dozens of phone calls a week.

Mr. Thomas recommends other questions to ask yourself: What is your profit and loss? What is your overhead? Your payer mix? Your net collection per CPT code? Are your documentation and coding up to date? Where are patients coming from? What is your full-time employee (FTE) support staff-to-physician ratio? Look at benchmarks from organizations like MGMA to see how your accounts receivable over 120 days or support staff per FTE physician stack up against best-performing practices.

It's hard to get a practice to focus on quality and health IT implementation when its day-to-day operations aren't sound, says Michael S. Barr, MD, MBA, senior vice president for medical practice, professionalism, and quality at the ACP. "We need to find ways of providing 24/7 access, not just through face-to-face visits, but in scheduled telephone visits, through structured e-mails, and group visits. And yes, the economic model has to change; but there is some benefit to clinical care by doing this anyway," he says.

7. Institute teamwork

Healthcare provided by teams is usually better and less costly (e.g., fewer duplicated tests) than that provided individually. However, its growth has been hampered by fee-for-service reimbursement rules and the fact that much of American healthcare is delivered in small, unintegrated practices. A major goal of health reform is to change that: Health reform will be counting on teamwork to play a part in cutting costs, improving quality, and increasing access.

"We believe a highly functioning team approach can optimize the number of patients that can be seen by a practice, and being creative in the use of team capabilities is part of the answer," says Roland A. Goertz, MD, MBA, a family physician and CEO of the Waco, Tex., Family Health Center. He is also this year's president of the AAFP. In his federally qualified health center, each family physician is paired with a mid-level practitioner—"like a health-delivery marriage," he says—and together they are responsible for a panel of patients, deciding between them who is going to see whom and when. He hopes the change in reimbursement promised by health reform will allow providers to be

How to Prepare: Physician Quality Reporting System

If your practice has not been voluntarily participating in Medicare's PQRI, which began in 2007, now's the time to start. Health reform expands what has been an experimental, voluntary quality-of-care reporting system that pays participating healthcare professionals a bonus and converts it in 2015 to include a penalty for not participating. "Like many programs [in the ACA], the carrots become sticks in the out years," explains Anders M. Gilberg, vice president for public and private economic affairs for the MGMA in Washington, D.C.

Now known as PQRS (the Physician Quality Reporting System), the program includes nearly 200 measures, including some for reporting through registries and EHRs.

This year, health professionals can earn a physician quality reporting incentive payment equal to 1% of their total estimated Medicare Part B physician fee-schedule-allowed charges plus an additional incentive of 0.5% by meeting a number of criteria for maintaining their certification via a continuous assessment program. For 2012 to 2014, the incentive payment will be reduced to 0.5%.

Health reform will make participation in PQRS mandatory beginning in 2015. Providers who are not successfully participating in PQRS by that time will have their Medicare reimbursement decreased by 1.5%; in 2016, it will drop by 2%.

flexible in how they organize care delivery systems and will enable them, if they wish, to add others—from social workers to nutritionists—to the team.

8. "Dance with the gorilla"

Every community has its dominant healthcare providers; and under health reform, size, scale, and reach are likely to mean even more than in the past. "The gorilla in the room is the big health organization in your area, the entities that are likely to become the accountable care organizations in your area," Dr. Melton says. "You need to learn how to dance with the gorilla because if you don't, you will get stepped on." Right now, most primary care physicians should be in fact-finding mode.

Mr. Thomas of MedSynergies recommends that his clients spend four hours a week outside the practice talking to referral sources, hospitals, and others in the marketplace to determine

whether it's time to sell to one of them. If not, it's still a good way to share information and coordinate care with consultants, hospitalists, emergency departments, and others.

A study published in the Jan. 10, 2011, issue of *Archives of Internal Medicine* found that primary care physicians and specialists routinely do not receive reports from each other. The problem is worse among younger physicians and those who work in larger, more urban settings. "I find that primary care physicians are often scared to say to their specialists that they must not order things without first checking with me or that I need a copy of the report back fast," Ms. Ross says. "They should explain it's not because they want to do all the imaging and want all the revenue, but instead because they are trying to figure out how to save money and coordinate care for their patients."

9. Know your own values

Mr. Hertz says doctors commonly ask the wrong question of their consultants as they struggle with preparations for health reform. "The problem is that most people ask, 'What should we do?' The real question is, 'What do we *want* to do?'" Answers will vary by practice, depending on everything from the exact stage of the physicians' careers to their geographic locations. Selling to a hospital or health system may be the most pressing course of action for some who see integration as key to quality practice in the future. According to Mr. Hertz, a good question to ask is this: "What will be success for us in three years? Then we can decide what we should do to get there. If you don't frame it properly, you will never get to the answer."

10. Put patients first

Amid all the discussions and debates, it's easy to lose sight of the real objective: patients. "No matter what happens in terms of healthcare reform, [physicians] always have to remember that patients come first," Dr. Pho says. "We have to remember that patients are going through a lot of changes, too, with health reform. The way their insurance traditionally worked is not going to apply anymore; so we need to realize that with all the changes that are happening to us, patients are going through the same things—if not more."