

# Best Practices for Pain Management in ASCs: Clinical and Business

## 9<sup>th</sup> Annual Orthopedic, Spine and Pain Management Driven ASC Conference

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## Disclaimer

- Marsha Thiel, RN, MA (Masters in Organizational Leadership)
- CEO
  - Medical Advanced Pain Specialists (MAPS)
  - Minnesota Surgery Center (MSC)
  - MAPS Practice Solutions (MPS)
  - MAPS Applied Research Center (MARC)
- Membership: ASIPP, MSIPP, MGMA, MMGMA, ASCA, MNASCA
- VAR: NextGen
- No outside funding, grants or industrial support for this presentation

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## Leadership Challenges in Today's Healthcare Market

- Rising cost of healthcare
- Decreasing revenues
- Rules and regulations are "moving targets"
- Main customer (patient) is often not the buyer nor the payer
- Potential conflicts of interest (tension between the business administrator and the physician owners)
- Key stakeholders and owners are often the people in the front line/trenches, too!

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You can provide  
excellent medical care but have  
poor business operations and you  
will be doomed to failure.

No Margin ~ No Mission

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## Focus on Clinical and Business Operations

- Clinical: If *quality* of medical care is lacking – start there!
- We will assume care is high quality – so let's move on to clinical operations

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## Time is money!

- Your best friend
- Your worst enemy

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## Clinical Operations

- Maximize efficiency
- Minimize expenses
- Take advantage of technology

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## Clinical Operations: efficiency

- Workflow: analyze each step in the process
  - Identify opportunities
  - Identify barriers
- Convert time to money (increases your commitment to change)
- Benchmarks (more to come later)

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## Workflow Analysis

- Don't just talk about the flow – go with it!
- Go with the flow
  - Look at it
  - Time it
  - Monetize it

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## Workflow Analysis



Total Steps: 24

Total staff time : 86 minutes

Total space time: 66 minutes

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## Monetize the changes

- What if you saved 10 minutes per case?
- 20 cases x 10 minutes = 200 minutes per day (that is almost FOUR HOURS)
- Convert to dollars
  - Staff salaries
  - Additional cases
  - More space

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## Staffing: right size

(small changes can make a big difference)

- Save 2 hours of RN time per day
- \$35/hr                      \$40/hr
- \$70/day                    \$80/day
- **\$17,640/year            \$20,160/year**

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## Clinical Operations: expenses

- Staff is your biggest expense – not unusual to see over 50% of expenses related to salaries and benefits (are you “right sized”)
- Right staff, right time, right place
- Scheduling is key (Shifts: 4 hr, 6 hr, 8 hr, 10 hr, 12 hr)
- Work balancing

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## Expenses: a door is cheap

- Swing room – move the c-arm until counts justify adding a second
- Standardize equipment and supplies
  - Volumes bring discounts
  - Just in time ordering

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## Clinical Operations: technology

- Technology: extend the work you do with technology
  - EMR
  - Portable devices
  - Net meetings
  - Videos

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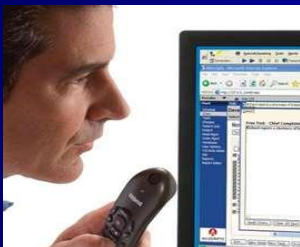
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## Technology: voice activated data entry



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## Technology: Capture data

- Let the patient help!

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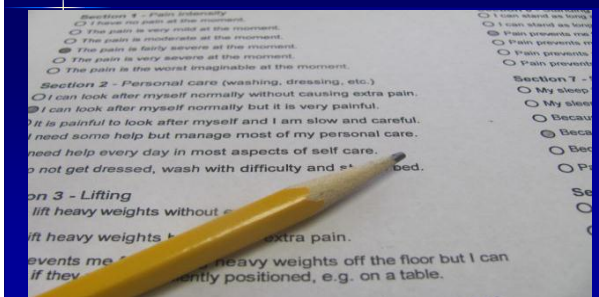
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## Data points: Patient to scanner to EMR



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## Data points: Patient to EMR directly



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## Technology: efficiency

- Data points versus free text
- Store in a relational data base to allow for easy queries

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The screenshot shows a medical software window titled "HuxGen IML: Jacqueline Kennedy Onassis - [04/25/2007 01:00 PM] - 'Joint Injection'". The interface includes a menu bar (File, Edit, View, Tools, Utilities, Window, Help) and a toolbar. The main area contains several sections for data entry:

- Joint Injected:** A dropdown menu set to "None".
- Side:** Radio buttons for "right" (selected) and "left".
- Patient Position:** Radio buttons for "prone", "supine", "32 lateral decubitus", "90 lateral decubitus", and "sitting".
- Fluoroscopy:** Radio buttons for "DEC 8000", "DEC 8000", "no fluoroscope used", and "Other".
- Skin Prep:** Radio buttons for "Povidone iodine", "Betadine", and "Other".
- Skin/soft Anesthesia:** Radio buttons for "Alcaine 4%", "Other", and "Arthroscopic anesthesia".
- Block Needle(s):** A section with checkboxes for "25g, 3 1/2\" Quincke", "25g, 4 1/2\" Quincke", "25g, 1\" Quincke", and "25g, 1\" Quincke".
- Total X-ray:** A section with checkboxes for "Anteroposterior", "Lateral", "Oblique", and "Other".
- Contrast Injected:** A section with checkboxes for "None", "Contrast 240 mg/ml", "Other", and "No contrast used".
- Total Therapeutic Medication:** A section with checkboxes for "None", "Other", and "None".
- Other Medication:** A section with checkboxes for "None", "Other", and "None".
- Pain on Injection (left side):** A section with checkboxes for "None", "Moderate", "Severe", and "Unbearable".
- Pain on Injection (right side):** A section with checkboxes for "None", "Moderate", "Severe", and "Unbearable".
- Procedure End Time:** A section with a time field set to "11:02" and a "Use System Time" button.

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## Technology extenders

- Video record the basics
  - Risks and benefits discussion/information
  - Discharge instructions

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## Technology: avoid travel time



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## Focus on the biggest wins!

- Saving costs is good!

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## Salary/Time: Paper versus EMR



- Hours per day doing chart prep 4
- Hourly Salary \$15.00
- Per day cost of chart prep \$60.00
- Savings per year (220 days) **\$13,200**

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## However....

- It is a challenge to save your way to prosperity!
- GO FOR THE GUSTO – Increase your volumes!

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## Large increase in revenue with small increase in physician time

What if you did two additional LESIs per day? (Average reimbursement at \$450 per case: MD and facility)

$\$450 \times 2$  per day =

**\$900 per day**

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## Large increase in revenue with small increase in physician productivity

What if you did two additional LESIs every day for a year? (Average reimbursement at \$450 per case: MD and facility)

\$900 x 250 working days per year =

**\$225,000 per year**

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## Not a marketing presentation on increasing volumes...

- So let's focus on some clinical and business operational issues

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## Understand your business

- Fantasy
- Reality

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## Fantasy v Reality

- "I understand my business because I have been doing it a long time."
- "I have a gut feel for how things are going."
- "We are really busy, so things are going well."
- "We have a lot of patients, so we are profitable."

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## Reality

- Understanding the performance of a medical practice and ASC is challenging
- In the absence of objective data, we assume too much and relate to issues from our own perspective
- We hear what we want to hear
- We miss the "subtle" changes

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## You Need Information to Achieve Excellence

- Information is knowledge
- Knowledge is power
- Robust integrated technology systems support clinical and business operations
- Robust technology systems provide information to make informed decisions in a timely manner

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## Foundation

- What gets measured gets attention
- Measure the things that make a difference in your business
- Understand how to set goals and respond to variances

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## Getting Started

- Once an organization has determined its mission and defined its goals, it needs a way to measure progress toward these goals.
- Before embarking on comparison with other organizations it is essential that you understand your own organization's functions and processes.
- Base line performance measurement provides a point against which improvement efforts can be measured.

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## Internal versus External Comparisons

- Key Performance Indicators are typically internal. KPIs measure your baseline and your work toward improvement.
- Benchmarks are typically considered to be external measures used as a tool to guide your internal goal setting.

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## Benchmarking

- Benchmarking is a process used in management, and particularly strategic management, in which organizations evaluate various aspects of their processes in relation to best practice, usually in their own sector.

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## Benchmarking

- Benchmarking allows the organization to develop plans on how to adopt such best practice, usually with the aim of increasing some aspect of performance
- In today's competitive market it is not enough to *think* we are good, we should measure ourselves against best practices

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## Medical Practice and ASC Benchmarking Sources

- American Surgery Center Association (ASC)
- American Society of Interventional Pain Physicians (ASIPP)
- Medical Group Management Association (MGMA)
- National Committee for Quality Assurance (NCQA)
- Doctors Office Quality – Information Technology (DOQ-IT)
- Physician Quality Reporting Initiative (PQRI)

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## Medical Practice and ASC Benchmarking Sources

- Joint Commission on Accreditation of Healthcare - Organizations (JCAHO)
- Accreditation Association for Ambulatory Health Care (AAAHC)
- National Quality Forum (NQF)
- Physician Consortium for Performance Improvement (PCPI)
- The Health Plan Employer Data and Information Set (HEDIS)

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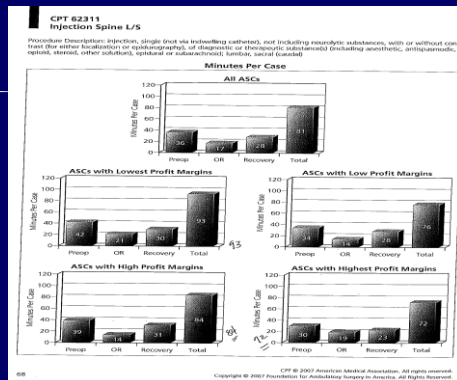
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## What should you measure?

- Measure the processes that, when changed, make the biggest impact on your mission and goals
- Key Performance Indicators (KPIs)
- Remember the "Hawthorne Effect"

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## "Hawthorne Effect"

- Describes *a short term improvement caused by observing worker performance*
- Term coined in 1955 by Henry Landsberger when analyzing older experiments from 1924-1932 at Hawthorne Works (Chicago).

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## Do more than just measure!

- Just by measuring the work – you will often impact positive change
- Do more than just measure:
  - set goals
  - measure progress
  - adjust plan along the way to continue to improve
- Manage your Key Performance Indicators

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## Does your staff know the goals?

- Teach them
- Coach them
- Ask them
- Coach them again
- Recognize them
- Reward them

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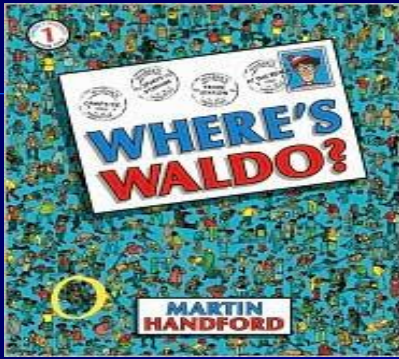
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## Success Through Staff Involvement

In order for staff to successfully measure and/or make changes to meet goals, they need to:

- Understand the goals (knowledge)
- Know what their role is in the process (training)
- Have the proper tools to perform (technology)
- Receive feedback (performance review – formal and informal)

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## Key Performance Indicators (KPIs)

- Need to be quantifiable measurements that reflect the organization's goals
- Must reflect the critical success factors of the organization
- Should be agreed upon beforehand
- May differ depending on the organization

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## Get the right bang for the buck!

- Volume
  - if volumes are high – space/time is an issue
  - If volumes are low – staffing pattern is an issue
- Time the critical processes (what is taking the time and staff – identify opportunities)
- Turn over time – always important
- Cost per case (supplies) – always important

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## To Manage the Key Performance Indicators:

- Understand the numbers
- Understand and set appropriate goals/targets
- Know what success looks like
- Understand the trends
- Understand the variances
- Make informed decisions

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## Categories: Key Performance Indicators

- May be related to quality of care
- May be related to financial performance (profit margins)
- May be related to customer satisfaction
- May be related to operational processes

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## KPI Examples: Quality of Care

- Clinical outcomes:
  - Change in patient's perception of pain/well-being (VAS, SF 36)
  - Change in functional ability (Oswestry)
- Adverse events:
  - Medication error
  - Wrong procedure
- Complications:
  - Infection
  - Spinal headache

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## KPI Examples: Financial Performance

- Case Counts
- Gross Charges
- Net Receipts
- Relative Value Units
- Patients
  - Registered
  - Scheduled
  - Kept

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## KPI Examples: Financial Performance

- New referring physicians
  - Value of the referral (by patient)
- Provider schedules
  - Capacity/actual
- Days in A/R

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## KPI Examples: Customer Satisfaction

- Customer Satisfaction Survey
  - Patients
  - Referring Physicians
- Issues and Complaints
- Reminder – Customer's perception of meeting their expectations is 100% of their reality!

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## KPI Examples: Operational Processes

- Patient flow
  - Time in preoperative area
  - Time in procedure room
  - Time in Phase I and Phase II recovery
  - Room turnover time (Remember the swing room)
- Billing lag time (DOS to DOE)
- Incoming/Outgoing phone calls
  - Number of calls
  - Successful connections
  - Length of time calls are in queue
  - Number of dropped calls

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## KPI Examples: Operational Processes

- Documentation
  - Completed in timely manner
  - Correct ICD and CPT coding
- Collections
  - Collect what is due based on contracts
  - Collect what is due in a timely manner

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## Deeper Dive

- Identify KPIs that make a difference
- Set Goals
- Analyze Actual to Goal
- Action Plan to Manage the Variances

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## Keep in mind....

- Few numbers are informative in and of themselves
- Need to understand the numbers in relationship to your business
- Look at the trends
- Analyze the ratios

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## Know what the numbers are telling you!

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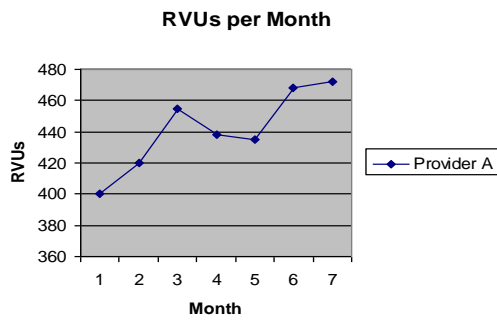
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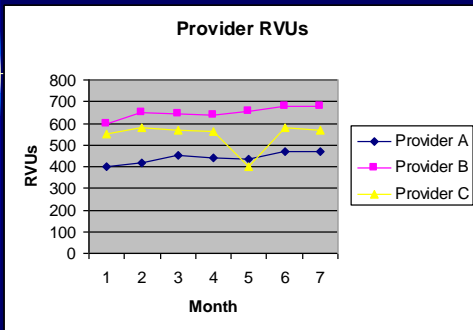
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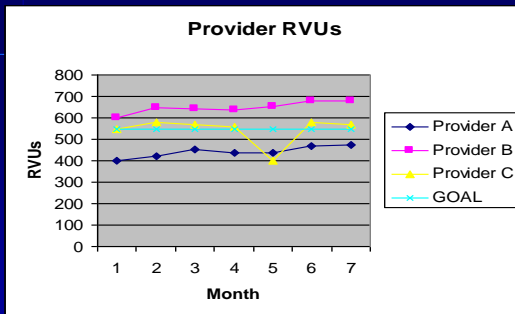
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## Practical Advice

- Relate the reports to the real world
- Respond to the important issues
- Don't overreact
- Relate historical results to the future
- Don't be "finger pointer"
- Make sure everyone knows the expectations

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## Quality Outcomes: Know the Requirements

- State Reporting Requirements  
(Department of Human Services)
- Federal ASC Requirements

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## Financial: Monitor the Trends

- Income – determine your budget
- Expenses – understand fixed versus variable
- Understand your variances
  - Don't miss the subtle changes
- Understand the underlying causes that are affecting your variances

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## Financial: Understand the Variances

- Number of working days per month
  - 20 rather than 23 makes a difference
- Trend by month but also trend by average per day per month
- Do a rolling 12 month average for trends
- Report the work in a way that is meaningful

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## Financial: Relative Value Units/Case Types/ Case Counts

- Measure
  - By day
  - By month
  - By site
  - By provider

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## Financial: Case counts

- Registered
- Scheduled
- Kept
- By
  - Provider
  - Site

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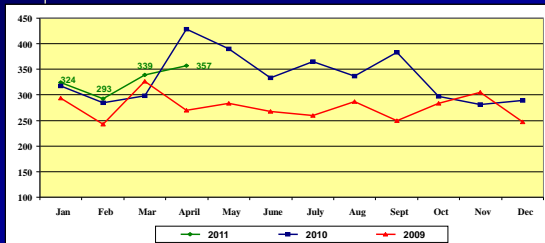
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## Cases Registered




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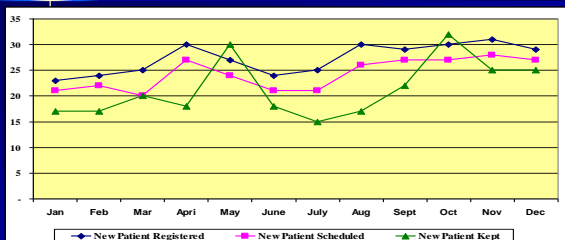
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## Cases: Registered vs Scheduled vs Kept per Day




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## Financial: Measurement of Work

- Gross Charges
- Net Receipts (Scorecard)

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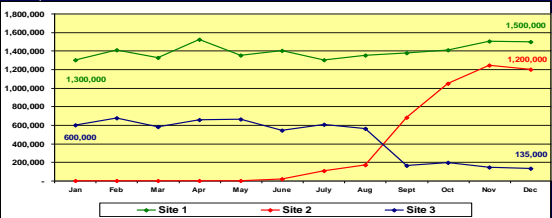
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# Gross Charges by Site



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# Financial: Managing the A/R

- Days in A/R
- What is the impact of electronic filing?
- Goal should be 45 days or 1.5 months
- Agree?

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# Months charges in A/R

NO!!

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## Operations: Managing the Lag Time

- Date of service to date of entry
- Date of entry to date of billing
  
- If you do not manage – you can lose one to two weeks in collection time – and no report will show it, including the aging report.

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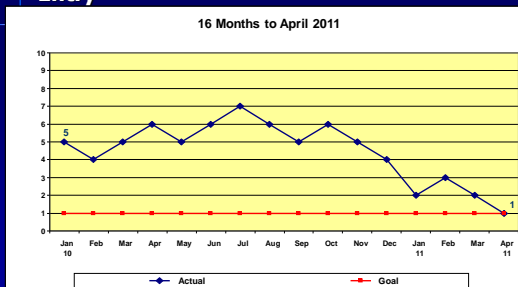
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## Charge Lag # Days from Date of Service to Date of Entry




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## Financial: Understand the Measurements!

- Know what you are measuring (Understand the differences)
  - Cost per procedure
    - Cost to provide services per case (includes direct expenses, direct overhead and indirect overhead)

Note: If not at capacity- the costs per procedure are different due to fixed and variable costs

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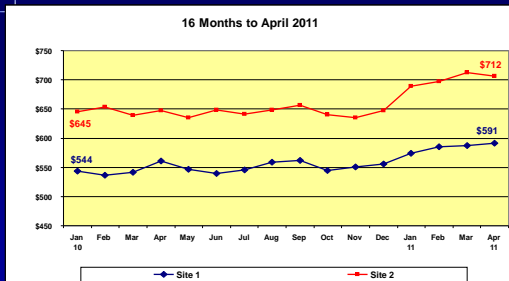
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## Average Charge Per Visit



## Financial: Plan

- Decrease expenses
- Increase gross charges
- Balance probably somewhere in between
- Set your KPIs to work toward what you want to impact!

## Customer Satisfaction: Customer Data

- Key customers
  - Patients
  - Referring Physicians
- Satisfaction Surveys
- Issues/Complaint Management

## Customer Satisfaction: Patient Satisfaction Survey

### KEY QUESTIONS:

- I would refer my friends and family to XXX ASC?
- I would rate the overall care that I have received at XXX ASC as: excellent, good, average, poor
- Comments:

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## Customer Satisfaction: Referring Providers

- What can you do to help them solve their problems?
  - Improve registration process?
  - Improve communication regarding care of their patient?
- Do you assume you know the answer?

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## Operations: Issues

### Some Things are Obvious Some are Not

- High turnover rates
- Inappropriate use of staff time off
- Lack of system integration and applications leading to rework
- Lost appointments
- Incorrect payer mix
- "Do what you and only you can do philosophy!" (aka – work to the top of your license)

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## Operations: Managing the A/R

- Know your contracts (fee schedule and adjustments)
  - Collect what you are owed
- File clean claims in a timely manner
  - File electronically whenever possible
  - File frequently (electronically or paper) daily if possible
- File correct insurance the first time
- File secondary insurance in a timely manner

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## Operations: Did you know?

- Medicare will pay a HIPAA compliant clean electronic claim in 14 calendar days
- Aetna US Healthcare guarantees payment within 15 business days if clean claim is submitted electronically
- What's in your contracts?

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## Operations: Key Points of A/R Management

- Know your Collection Percentages
  - Gross xx %
  - Net xx %
- Did you collect what you expected?
- Determine your goal for number of days/months in A/R
- What is a good number?
- When do you need to drop to paper and attach documentation – do it first rather than waiting for a denial

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## Operations: Analyzing the A/R Report

- Climbing A/R could mean
  - Increase in production
  - Increase in fee schedule amount
  - Late submission of old claims
  - Staff lagging in timely receipt payment posting
  - Inaccurate posting of adjustments

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## Operations: Analyzing the A/R Report

- Falling A/R could mean:
  - Decrease in production
  - Late or inaccurate write-offs on accounts
  - Collection of aged accounts
  - Writing off bad debt

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## Operations: Understand the Impact of Payer Mix

- Gross Charges
- Net Receipts

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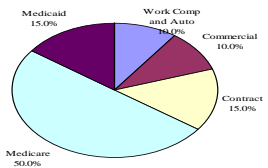
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## Gross Charges by Financial Class

Gross Charges by Financial Class




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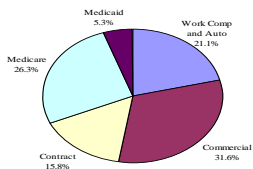
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## Net Receipts by Financial Class

Net Receipts by Financial Class




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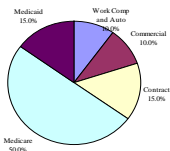
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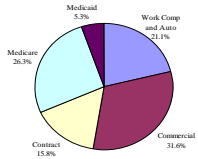
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## Comparison

Gross Charges by Financial Class



Net Receipts by Financial Class




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## Key Performance Indicators: Final thoughts!

Measure those items that "make a difference" in your practice

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## Key Performance Indicators: Balance All for Maximum Success!

- Quality of Care
- Financial Performance
- Customer Satisfaction
- Operational Processes

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## Recognize Success

- You can't do it alone!
- Do staff know the goals?
- Do you recognize successful achievement of goals?
- Recognition matters!

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Thank You!

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