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DON'T SACRIFICE YOUR PRACTICE'S COMPETITIVE ADVANTAGE:

What You Need to Know about Structuring Partnerships with Healthcare IT Vendors

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EHR and Practice management systems, when chosen thoughtfully and used in a manner well-aligned with individual practice needs and workflows, offer the potential for financial gains. However surveys have demonstrated practices' increasing disenchantment with their Healthcare IT vendors' performance. Bound by long term contracts and the costs and productivity loss associated with changing systems, practices find themselves paying for workarounds and inefficiencies in addition to the costs of these service contracts. Many practices who signed up with all-in-one vendors outsourced their back office activities, such as billing and collections, to the same vendors, losing control and transparency in the process. In this landscape of bad marriages between healthcare IT vendors and physician practices, there is great opportunity for the practice that is able to put together its technology and revenue cycle solutions in a way that preserves flexibility. Yet many practices struggle with aligning best-of-breed solution and service mix to optimize cash-flow and productivity.

The EHR / PM / System and Billing Service Performance Gap

Too often, once the glamour of the sales team has faded and the technical implementation team arrives to deflate overinflated expectations, practices find themselves stuck with lackluster EHR and Practice Management tools. A survey by Black Book revealed that as many as 17 percent of the 4,279 practices surveyed were planning to abandon their EHRs. Other disheartened practices lack the resources to embark on another vendor selection process with formidable financial outlays and a costly, disruptive implementation process. Worse, Billing Services is often an afterthought;

EMR tends to be the bigger driver of EHR/PM software vendor selection, with many practices adding Billing and Collection Services solely on the criteria that it's bundled with the EMR. This has implications for cash-flow and practice performance. The gap between practice expectations and healthcare IT vendor performance can be profound. When Black Book surveyed thousands of practices, over 70 percent of which had one to ten physicians, 80 percent of the respondents indicated that one of the top three most compelling reasons for considering an EHR vendor switch was that the software did not meet the individual needs of the practice and its workflow. As a result all-in-one solutions quickly become high risk strategies for practices looking to sustain independence.

Specialty practices in particular find themselves paying for a product which not only doesn't fit their business model, but also prompts them to incur additional expenses for consultants to get what is needed out of the system or to rig a work around… not to mention the hidden costs of lost productivity related to daily manual processes and workarounds by staff. The Black Book survey asked respondents "Does your EHR meet the needs of your individual practice specialty?" A stunning 70 to 88 percent of nephrology, urology, ophthalmology, gastroenterology, orthopedic, and allergy/immunology practices answered "No." Among small practices, more than half answered "No." This widespread lack of satisfaction points to enormous unrealized potential for medical practice operations.

In an industry as dynamic as health care, you may find that your practice is ready to adapt to emerging regulatory requirements or market changes but your healthcare IT vendor is not able to adapt with your practice. Once contracts are executed, many practices may find that their EHR/PM

vendors are more focused on their own backlogged implementations and sales efforts than on product improvements and billing service performance. Practices find themselves locked in long term contracts with costly termination provisions. Black Book's Doug Brown noted that Meaningful Use incentives created an "artificial market for immature EHR products." Less than a third of practices have realized a positive return on their healthcare IT software investment.

With many practices outright dissatisfied and losing money, and a larger percentage of practices that are ambivalent about their EHR/PM vendors and mired in mediocrity, clearly the practice that uses an effective alternative to the status quo will have an advantage. Fortunately, these solutions exist, and are accessible to practices willing to embrace effective alternatives to the all-in-one model.

HealthCell supports your practice's use of ANY EMR or PM software package, with expertise in over 20 different software platforms in the industry. Your practice picks the best software for its unique needs, and HealthCell ensures that critical features are used to maximize reimbursement. HealthCell offers a variety of competitive pricing models, and does not require long-term contracts.

Avoiding the Pitfalls When Choosing to Outsource Back Office Functions

Another trend mentioned which has accompanied the Hype Cycle of EHR/PM solutions is the outsourcing of back office functions to the same EHR/PM vendors. Attracted by percent of collections fee structures, which are especially appealing from a cash flow perspective, many practices end

up contractually bound in an arrangement where they lose control and transparency. One issue inherent in “one stop shop” vendors is the loss of flexibility. This model is not conducive to optimal practice performance needs in not only technology and workflow support but detailed reimbursement attention. The Black Book Survey found that 44 percent of practices felt their vendor was not responsive to their requests and needs. Do you want to outsource your cash-flow needs to these same vendors?

Structuring Vendor Partnerships to Optimize Profit

Profit not only encompasses collections, it is also impacted by a practice’s expenditures, and the bottom line can take a significant hit from expenditures for suboptimal EHR/PM and staff and consultant time addressing the resulting inefficiencies. The ideal partnership with a software or service vendor is one which does not involve a static contract in a dynamic industry. Before commencing a new partnership, a practice should assess revenue cycle performance relative to industry benchmarks to have an idea of areas which may be good candidates for outsourcing. Mapping out practice processes and ensuring the policy and procedure documentation is up to date can help ensure fruitful meetings with potential vendors. Identifying reporting needs and minimum requirements on the front end is also beneficial.

Good vendor contracts should not present future obstacles to the practice’s strategic decisions. If a practice later decides to join a super group to improve its managed care contracts and move to a different billing service, the practice should not face onerous financial fees with its vendor. Another

reason to align best-of-breed solutions vs “all-or-nothing” vendor approaches.

The Alternative to All-in-One Solution Approaches

If you don’t want to find yourself among the majority of practices surveyed who feel that the design of their healthcare IT solution is not suited for the practice or its specialty, an alternative model is both affordable and accessible. HealthCell’s business model is diametrically opposed to all-in-one solutions. Instead of burdensome contracts that leave you with average to poor performance, HealthCell provides a dedicated team of qualified professionals to your practice, promoting a sense of ownership and loyalty to your practice with the flexible partnership you need to ensure optimal performance every day.

All HealthCell team members possess a bachelor’s degree at a minimum, as well as professional coding certifications where applicable. Practice staff know the HealthCell team by name, and the HealthCell team knows your unique business processes. While Healthcell has many clients and employees, the practice has the same dedicated team, to ensure superior service. Essentially HealthCell functions as an extension of your practice staff, easily available and able to log in to the system remotely to perform key tasks using best practices to enhance your revenue by 15% or more. Part of HealthCell’s service includes regular monthly meetings with your account manager and revenue consultant, and practice performance dashboards are accessible 24-7.

When it comes to leveraging your EHR/PM system to maximize profitability, “flexibility” is the operative word, and the no upfront fee, no training fee, no

contract, flexible fee schedule options offered by HealthCell are the epitome of flexible. In addition to working with the EMR and PM software of your practice's choosing, HealthCell is able to offer partial service, end to end service, as well as support for one time special projects. To discuss your practice's unique needs and how HealthCell can improve profitability while providing first class service, call 877-472-1320, email hello@HealthCell.com, or fill out the online inquiry form.

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