

Integrating Practice Management, Electronic Health Records, and Billing Services

In this article, I shall present the concept of integrating practice management, electronic health records, and billing services into a unified platform. Having been in clinical practice for 10 years myself, I became quite familiar with the shortcomings of fragmented workflow, and I found that this is a common problem that plagues many practices. This could be the result of a decentralized practice environment with a call center in one location and multiple clinical offices, or simply one clinical office and an outsourced billing service. Whatever the scenario, when the workflow is segmented across multiple locations and/or processes, menial tasks such as data entry require redundant efforts—and these can introduce errors that affect the quality of the healthcare delivered and typically cause the fiscal bottom line to suffer.

This fragmented workflow is the traditional way in which medicine has been practiced over the years. However, the medical economics of the 21st century, with decreasing reimbursements and the need for increased accountability, require healthcare providers to increase their efficiency if they want to remain profitable. One of the most dramatic changes taking place in medical offices, hospitals, and other healthcare facilities today is the implementation of electronic patient management (PM) and electronic health record (EHR) systems. The time of the “appointment book” and the “paper chart” is rapidly coming to an end. As a matter of fact, there are government programs that currently reward those already switching to the electronic realm. Soon, there will be punishments in the form of fines for those who don’t make the switch. Within the not-too-distant future, it will likely be mandated by law

that all medicine practice should be documented electronically.

Literally hundreds of vendors and products have come to market in an attempt to provide clinicians with the proper tools to approach the huge task of moving from the old to the new way of practicing medicine. No one solution can fit every scenario like a cookie cutter. As a result, different vendors have taken different directions in their product development. Some products are standalone (referred to as a client server); others are services accessed over the Internet (called either an application service provider [ASP] or Software as a Service [SaaS]). Others still might offer some hybrid of these two. Some products provide only PM solutions, others provide only EHR services, while a number of vendors offer both PM and EHR solutions in one software suite, with varying degrees of integration.

A good PM system enables a practice to become much more time efficient with all of its routine tasks. This may start with patient appointment scheduling—functioning like an electronic version of an appointment book, but adding the functionality of registration, insurance validation, reminder phone calls, balance checking, satisfaction surveys, etc. A good PM system should integrate with an EHR in a way that allows bi-directional transferring of information relevant to both systems.

Consider these requirements when choosing a PM product:

1. Find a product that can perform all of the practice’s current tasks.
2. Look for ease of implementation and use (i.e., the user interface should be intuitive and require little training).
3. Ensure that the product is expandable and customizable, so you can adapt to the future needs of the practice.
4. Be certain that there is seamless integration between the PM and EHR components for the bi-directional transfer of information.

A good EHR has the capability to focus on an individual medical specialty, creating separate, deep, and specialty-specific knowledge bases. The EHR should be able to adapt to the practice's own workflow and not require the practice to comply with the EHR's predetermined workflow. Another important feature is the customizability of the user and workflow interfaces at the individual practice level. It is important to know if this can be done and, if yes, whether it can be done by the practice or if it requires vendor intervention (which typically adds cost). Probably the most important features any clinician would want from an EHR are the capabilities to back up patient records and establish a disaster recovery plan. This last point is vital to the practice and cannot be overemphasized.

Consider these requirements when choosing an EHR product:

- 1. Find a product that can handle your area of specialization without encumbering you with data items from other specialties.**
- 2. Look for an EHR product that can adapt to your individual practice habits.**
- 3. Ensure that your patient records are accessible 24/7/365.**
- 4. Be certain that there is frequent automatic data backup.**
- 5. Only consider an EHR product with a readily available and easy-to-implement disaster recovery plan.**
- 6. Accept nothing less than seamless integration for the bi-directional transfer of information between the EHR and PM components.**

The final component—last, but certainly not least—is the billing component. How is the practice compensated for its services? Over the past decade or so, we have seen a transition from paper

claim to electronic claim submission of charges. I won't go into the reason this has happened; suffice it to say however, that this was not necessarily to improve the delivery of healthcare or to improve physician reimbursements.

Traditionally, medical billing has been performed two primary ways: in-house and outsourced. In-house billing means that someone in the practice is required to enter the charges for each visit, submit the claims, and then follow up to see that the claims are paid. Outsourced billing means that the daily charges are sent to a vendor that has the responsibility to submit the claims and then follow up to see that the claims are paid. Many billing services find it difficult to justify a policy of indiscriminate follow-up for every underpayment or delay. This is due to the high cost of follow-up. When the difference between the cost of follow-up and the value of the insurance underpayment gets smaller, the incentive to leave the underpaid difference for the insurance company gets larger. The net result is that for many practices, large numbers of small underpayments are never collected. Even today, in the electronic realm, these two principal methods—in-house and outsourcing—remain; however, outsourcing can have significant advantages if the right service is used.

The biggest change in medical billing today is the introduction of technology designed to help track and follow up on claims. Most modern billing services offer a variety of reporting capabilities, providing the practice with a mechanism to measure the billing service's performance. Unfortunately, the ability of a typical billing service to effectively discover and follow up on underpayments is limited initially, and it deteriorates over time as payers find new tactics to impede and underpay claims. With the technological and financial resources available to the insurance companies, they have had the upper hand over the medical practitioner for many years. This is no longer an absolute. With economy of scale and the creation of a physician

billing network, a sufficient volume of claims and payment data can be observed in a single aggregation platform database. This returns some leverage to the individual practices, and it helps restore balance between those practices and the insurance companies.

Consider these requirements when choosing a billing service:

- 1. Find a service with comprehensive monitoring of all underpayments and delays.**
- 2. Look for disciplined follow-up on all underpayments and delays.**
- 3. Ensure that your billing records are accessible 24/7/365.**
- 4. Be certain that there is transparency and accountability at all levels, in real time.**
- 5. Only consider a service with the ability to discover payer-specific underpayment patterns and claims processing rules, and the ability to implement appropriate updates to its database's claims processing logic in a timely fashion.**

Now, imagine that you have begun to transition your practice into the 21st century by adding an EHR. You think you are sitting pretty, ready to take on the new government regulations and insurance industry standards. Congratulations. But what good is the EHR by itself if your office still uses paper and pen for the remainder of its workflow? Much of the information you will work with will likely require redundant efforts either by you, your staff, or both. OK, so you realize that, in addition to EHR, you really need the PM component to improve efficiency in the office. Great! But what happens when you are done with your patient encounter and want to submit your charges? Oops, another stumbling block. To solve this problem, some PM/EHR vendors

include software to help an in-house staff member submit and follow up on claims. This, however, does nothing to help the practice overcome the insurance companies' significant advantage. No matter how experienced the in-house staff member might be with billing, the fact remains that the practice stands alone against all of the insurance companies.

The ultimate solution is a fully integrated platform, seamlessly transferring data among the three components. The integrated platform should leverage the strength, skill, and experience of each component. Each practice knows best how to deliver its specific type of healthcare. They should also recognize the need to use proper tools, allowing them to focus on what they do best.

Vendors have spent millions, if not billions, of dollars researching and developing their various PM/EHR platforms. They should be the ones focusing on maintaining adherence to HIPAA, other government regulations, and various independent certifications. Since billing services can differ significantly with regard to their experience, performance, reliability, accountability, and compatibility with the PM/EHR platform components, it is essential that practices choose carefully. They should seek a vendor with a true physician network and a single aggregation platform database. Only with this type of technology in place can some semblance of parity be restored between the individual medical practice and the insurance companies.

Finally, in order for the integrated platform to provide relief to the practice when it comes to duplication/redundancy of work, there needs to be significant collaborative efforts between the PM/EHR platform and the billing service platform. With the future approaching fast and the handwriting on the wall, unless medical practices move toward totally integrated PM/EHR/billing system platforms, their economic future will be in doubt. Don't wait until it is too late. Be proactive. Do your due diligence. Arm yourself now with the tools of the 21st century, or plan on going the way

of the dinosaurs.

Consider these requirements when choosing a PM/EHR/billing service platform:

1. **Ask if all components meet the requirements listed above.**
2. **Ask the PM/EHR vendor, “With which billing services are you integrated?”**
3. **Ask the billing service, “With which PM/EHR platforms are you integrated?”**
4. **Ask for references of both current and past clients.**

About the Author

This article, written by Joseph Kamelgard, MD, FACS was an invited Chapter in Medical Billing Networks and Processes, by Yuval Lirov. Joseph Kamelgard, MD, FACS, got his start while in college, working for the National Aeronautics and Space Administration (NASA) as a cooperative education student. By the time he graduated from Boston University in 1984 with a degree in biomedical engineering, Kamelgard had found his niche as a medical/scientific applications computer programmer. Thirsty for something more, he returned to school and ultimately earned a medical degree in 1990 from the world-renowned Technion, Israel Institute of Technology. Kamelgard performed his residency in general surgery and did two separate one-year fellowships. Upon completing his formal training, he was appointed in 1998 as assistant professor of surgery and chief of the Division of Laparoscopic Surgery in the Department of Surgery at University of Medicine & Dentistry of New Jersey/New Jersey Medical School. Five years later, Kamelgard left academia to form Lighter for Life, a surgical practice entirely devoted to the surgical treatment of morbid obesity. After acquiring another five years' experience in clinical medicine, he decided to return to his first passion, technology, to try to develop the tools to help physicians cope with the realities of practicing medicine in the 21st century. His first major undertaking has been the formation of Billing Integration Group (BIG), whose purpose is to develop fully integrated platforms by combining practice management, electronic health records, and outsourced billing services. For more information, please visit: <http://www.vericle.com>