

The Economics of Your Anesthesia Practice

Learn to Ask this question...

*How Are We Certain We
are Maximizing CRNA
Reimbursement?*

Presented By

BCS, Incorporated

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Asking this question...

- Opens communication and invites discussion
- Demonstrates Alignment with Your Employer
- Acknowledges that "we" want to insure the best possible reimbursement outcome
- "We" are motivated to be a part of the solution
- In order to continue these discussions on a level that is taken seriously, what are the details?

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Identifying Each Anesthesia Practice Environment

- Primary – Employment Model
- Secondary – Anesthesia Delivery Model -QZ -QX -AA
- Tertiary – Economic and Reimbursement Analysis

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Identifying Each Anesthesia Practice Environment

Primary Anesthesia Practice Environment - **Employment**

- MD Anesthesia Group Employment
- Hospital / ASC / Office Practice
- Private Group Practice - CRNA

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Identifying Each Anesthesia Practice Environment

Secondary Anesthesia Practice Environment – **Service Delivery**

- MD Anesthesia Providers Exclusively
- CRNA Providers Exclusively
- CRNA / MD Practices *Side by Side*
- The Anesthesia Care Team-ACT

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Identifying Each Anesthesia Practice Environment

Tertiary Anesthesia Practice Environment – **Economic Impact**

- Influenced by Primary and Secondary Environments
- Profit Motives vary by provider
- Economic Components

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Internal and External Practice Forces

Internal

- Service Locations
- MD Group
- OB/Pain
- More ORs
- Scope of Practice
- Performance
- Fear

External

- Managed Care
- Reimbursement Policy
- Casemix
- CMS 1500 Format
- NPI & NPI X-Walk
- Fear

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The Relative Value Anesthesia Charge Structure

Two Primary Components

- Base Weight or Value Expressed in Units
- Time Value Expressed in 15 Minute Units

Charge Generation

- Total Units X Chosen Conversion Factor
- 10 units X \$60.00 = \$ 600.00

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The Relative Value Anesthesia Charge Structure

Anesthesia Charges

Gross = Selected Conversion Factor Per Unit
10 units X \$60.00 = \$ 600.00

Net = Discounted/Fee Schedule Conversion Factor
10 units X \$ 20.00 = \$ 200.00

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The Relative Value Anesthesia Charge Structure

Understanding the Difference

- Gross Revenue
- Net Revenue
- Reimbursement

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The Economic Components of Your Anesthesia Practice

Primary Economic Components

- Number of Procedures
- Casemix/Payermix
- CRNA OB Coverage
- Number of Providers
- Presence of MD Providers

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The Economic Components of Your Anesthesia Practice

Secondary Economic Components

- Ownership of Practice
- CRNA Scope of Practice
- + or (-) Bottomline
- Alternative Employment
- Impression of CRNA Services

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HIPAA Implementation

Health Insurance Portability and Accountability Act of 1996 PL104-191

HIPAA Purpose and **Key Terms**

- Increase efficiency of the industry with administrative and financial data exchange.
- Enhance security of patient information and provide confidentiality.
- Eventually decrease industry transaction costs
- Key Terms – Compliance Plan, Business Associate Agreement, transaction code sets, privacy, compliance officers, NPI, Contingency periods.

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HIPAA Implementation

Health Insurance Portability and Accountability Act of 1996 PL104-191

Important HIPAA Information

- Privacy Compliance – **04-14-2003**
 - Privacy Statement for your patients
- Transaction Code Compliance **10-16-2003**
 - CPT-4 Code uniformity – Anesthesia Codes
- Security Compliance **04-21-2005**
 - Password Access to data
 - Minimum need to know/access
- Security compliance **accelerated** by privacy rule.

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HIPAA - National Provider Identification - NPI

- **Purpose** – Streamline administrative procedures, credentialing, enrollment
 - state to state and payer to payer
 - Government and private payer community
- **National Provider ID Deadline 05-2007**
 - Not all Providers have received an NPI –Individual and Group/Entity
 - Contingency Plan extends deadline to 05-2008 but readiness and utilization must occur during contingency period.
 - Get It, Share It, Use It –Payer Notification-Crosswalk

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Trust – Hand It Over

- Department Managers / Chiefs
- Medical Directors
- Surgical Staff
- Colleagues
- Business Office Staff
- Coding Staff

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Your Future Depends Upon Understanding Your Reimbursement

- Reimbursement **May** Exceed Costs
- Practice Issues Change **Daily-**
- **Stay Informed** and Succeed
- Use Your Knowledge **Wisely**
- Measure **Quality & Performance**

Ignorance is Not Reimbursable

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Understand Your Practice and Secure Your Future...How?

- **ID** Your Worth-Earnings, Value, and Market
- **Realize** the Forces At Work in the Practice
- **Develop** a Plan to Maximize Revenue
- **Anticipate** HIPAA be prepared
- **Measurement** standards

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Understand Your Practice and Secure Your Future...How?

- Primary & Secondary Economic Components
- Understand Your Reimbursement
- Be Guarded with Whom You Trust

ALWAYS Perform in a Professional Manner

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Want More Information?

The Business of Today's Anesthesia Practice
A BCS educational weekend seminar
Nov 30 – Dec 2, 2007
Walt Disney World® Swan and Dolphin Resort

Review sessions and register at
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