

# What the Pandemic Has Taught Us About Modernizing Practice Administration



The COVID-19 pandemic has produced some of the largest changes to healthcare and to society in recent history. Medical professionals were forced to adapt to treat patients safely and effectively. Developments such as telehealth, online check-in, and modern care delivery experiences advanced rapidly. It also highlighted significant challenges in the medical field, including provider burnout, resource and budget pressures, heavy regulations, and burdensome policies.

Healthcare practitioners, practice administrators, and patients alike are eager to get back to normal once the pandemic ends, whatever “normal” may look like. Yet along the way, we’ve learned some lessons about modern practice administration. These lessons are shaping the decisions we make to better patient care and improve the success of practices.

## The Evolution of the Doctor-Patient Relationship

In light of the pandemic, the healthcare industry has an opportunity to reset and embrace changes. These changes will propel the modernization of practice administration and patient care.

### **Telehealth services are here to stay**

Prior to the pandemic, only 9.6% of Americans said they had used telehealth services, according to a 2019 J.D. Power survey. In that same survey, 74.3% said they did not have access to telehealth or were unaware of their options. Most of the early adopters were women and patients aged 31 to 40 years old. Despite the incredibly high satisfaction rates with telehealth services, concerns about security, privacy, insurance carrier policies, ease of use, and implementation restricted its growth.

2020 kicked the growth of telehealth into overdrive and 83% of people say they’ll continue to use telehealth even after the pandemic health crisis ends.



In an effort to curtail the quick spread of the COVID-19 virus, telehealth services have seen increased demand. These virtual visits are now available to a broader range of patients, including those hospitalized or in nursing facilities. What has made its monumental growth possible? The easing of regulations for telehealth visits and increased insurance coverage under Medicare and Medicaid (as well as private insurance policies) have made widespread adoption possible. Under many insurance policies, telehealth visits are now on par with in-person visits, and often 100% paid by insurers.

The passage of the [Coronavirus Assistance, Relief, and Economic Security \(CARES\) Act](#) and Section 1135 of the Social Security Act has been particularly significant to the expansion of telehealth for Medicare beneficiaries. The Centers for Medicare and Medicaid Services (CMS) has also allowed for the early use of its 2021 Evaluation and Management Level of Service guidelines for telehealth services. The new guidelines allow providers to gather relevant information quickly and reduce burdensome administrative tasks.

Telehealthcare is no longer just a nice-to-have; in a post-pandemic world, we can expect to see virtual visits comprise a significant portion of the patient care experience. The changes made by private insurance carriers, Medicaid, and Medicare will allow for continued growth and improved access to care for patients across the nation.

*Telehealthcare is no longer just a nice-to-have; in a post-pandemic world, we can expect to see virtual visits comprise a significant portion of the patient care experience.*



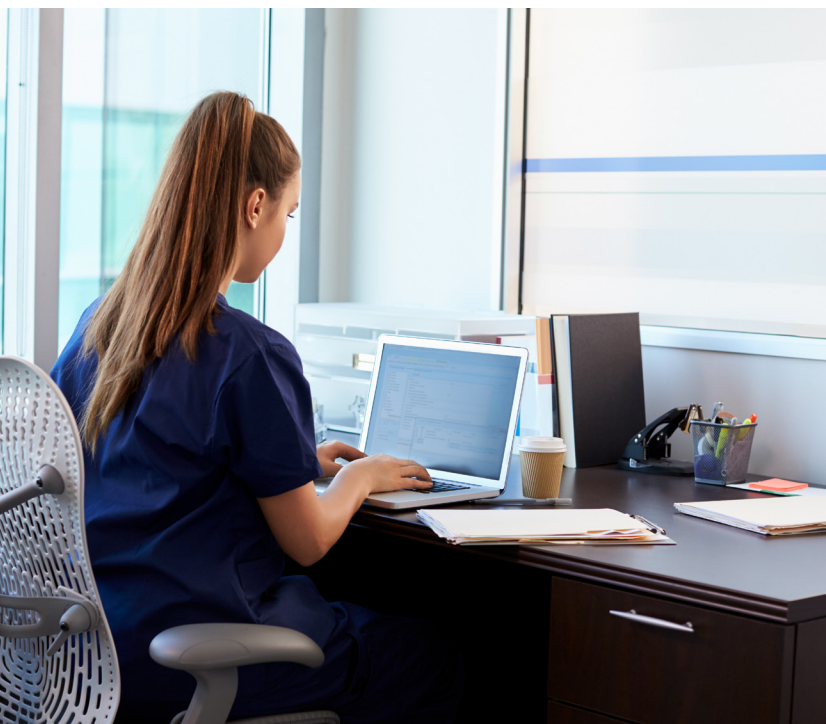


### **The heavy burden of administrative tasks and external measures**

The amount of time spent on documentation and administrative tasks has long been a concern in the healthcare industry. According to a study by the Annals of Internal Medicine, practitioners in ambulatory practices spend an average of two hours on Electronic Health Record and desk work per hour of direct patient care.

Physicians and their staff spend an average of 60 hours per physician each week on prior authorizations and interactions with insurance carriers. External quality measures compound the amount of time spent on manual, tedious tasks, adding up to 15 hours per physician each week. Reporting on these quality measures not only burdens human resources, but it's also costly, adding up to \$15.4 billion annually.

The changes made by CMS to its Evaluation and Management Level of Service rules should provide some paperwork relief to physicians and their staff. CMS has also waived some quality measurement reporting requirements in the Merit-based Incentive Payment System. Hopefully, these adjustments are symbolic of a greater understanding of the burdens extensive note-taking, reporting, and measurements place on healthcare practitioners. Even outside times of widespread crisis, healthcare professionals must have room to focus on enhancing patient care and related high-value tasks.



*Practitioners in ambulatory practices spend an average of two hours on Electronic Health Record and desk work per hour of direct patient care.*





### **Imagining the new waiting room**

The classic patient waiting room full of chairs, magazines, and clipboards with paperwork may not survive the pandemic. Practices are leveraging organizational methods, including [5S](#) and [spaghetti mapping](#), to maintain social distance and build efficiencies into their operations.

Traditional check-ins are already well on their way out the door. Ambulatory care practices are moving to phone calls, texts, patient portals, and kiosks to check-in patients prior to seeing practitioners. For many patients, checking in is a simple click of a button, especially if they upload insurance and demographical information ahead of time. The new waiting room is often the patient's personal vehicle, a move designed to prevent congregation and spread of infection.

Changes to the waiting room and check-in experience point to a modernization of the care delivery experience. Even when social distancing guidelines are no longer necessary, practitioners can expect to see patients demanding convenience and accessibility.

### **Changes stirring in healthcare real estate**

What do these changes to the waiting room mean for the physical footprint of medical practices? The Medical Group Management Association polled over 1,000 healthcare leaders in their [MGMA Stat poll](#) on their future plans for their physical office spaces. The majority of respondents stated that they did not plan to reduce the physical space of their practices in the next six months, at 88%. Twelve percent of respondents responded "yes," noting the following as their top reasons for doing so:

- Reducing nonclinical space **(42%)**
- Consolidating clinics **(27%)**
- Financial impacts from COVID-19 **(12%)**
- Reducing staff/providers **(8%)**
- Other **(12%)**





Sixty-nine percent of respondents who aren't reducing the space of the practice cited growth and expansion of the group as the primary reason for not doing so. Lease obligations were another concern for 13% of "no" respondents.

Practices have contended with a landlord market over the last decade. The lack of major disruptions and growth of the commercial real estate market gave property owners a significant advantage over tenants. However, the current state of the economy has changed things. [Healthcare real estate experts](#) suggest that commercial property firms will be focused on mitigating risks, maintaining occupancy, and securing qualified tenants. In the future, we will likely see practices receiving better deals on lease renewals and a push toward owner-occupied real estate due to low-interest rates and construction costs.

## Healthcare Billing and Reporting Changes

Changes in practice administration are also streamlining healthcare. The American Medical Association (AMA) recently released the first major overhaul to its codes and guidelines for office and other outpatient evaluation and management (E/M) services in the 2021 [Current Procedural Terminology](#) (CPT®) code set.

According to the AMA, these changes were designed to make coding and documentation "simpler and more flexible, freeing physicians and care teams from clinically irrelevant administrative burdens that led to time-wasting note bloat and box-checking." Some of the modifications that will result in a reduction of administrative work include:

- Allowing providers to record only what has changed since the last outpatient visit with an established patient
- Permitting code level selection on medical decision-making (MDM) or total time on the date of the encounter

In 2021, MDM will be based on the number and complexity of problems addressed, the amount and/or complexity of data reviewed and analyzed, and the risk of complications and/or morbidity or mortality. Regarding time as a determinant of the level of service, time is now defined as all of the time associated with the service on the day of the encounter.

Given the incredible stress placed on practitioners, staff, and the industry as a whole this year, the modifications should allow for a greater focus on patient care.





## How to Meet Patient Expectations for Bill Pay

While not directly connected to the pandemic, online patient bill pay gained more traction in 2020 as patients became more comfortable with combining technology and healthcare. These methods include both mobile-first and web-based applications. Today, approximately one-third of all patient payments are made through online payments, and patients not only want to pay online, but also review past statements.

Online patient health records portals may even lead to more efficient bill pay and higher patient loyalty. A [2017 Black Book survey](#) reports that 95% of patients polled would pay online if the provider's website had the option. And 71% say that mobile pay and billing alerts have improved their satisfaction with their provider.

### With medical bills on the rise, what can practices do to ensure quick and efficient payment beyond having an online payment portal?

First, get consent to contact patients across multiple communication methods. The patient [check-in](#) process offers an opportunity to collect and update information as well as obtain the proper consent for notifications.

Then, take note of your patients' preferences. Given that so many retail companies communicate with consumers based on their defined preferences, it's no surprise that patients want to define how their healthcare provider interacts with them. When patients provide their contact information, include a question about their preferred method—you can then segment out text, phone call, mail, portal, and email communication based on this information. While creating



*Today, approximately one-third of all patient payments are made through online payments, and patients not only want to pay online, but also review past statements.*



### **Staying in touch with the new financial reality**

Ambulatory practices can expect to see more self-insured patients in 2021 due to the current economy and unemployment. Nearly half of Americans rely on employer-sponsored health insurance, which equates to roughly 160 million people under the age of 65. However, since 2016, the number of [uninsured has trended upward](#).

In light of this, you may also consider offering more [flexible payment options](#) to increase the efficiency of your billing and collection efforts. Potential options include:

- Offering monthly payments
- Offering payment installments with reduced interest
- Storing payment methods within online bill pay portals
- Financing for larger bills
- Building efficiencies into the enrollment and payment processes



71% of patients polled say that mobile pay and billing alerts have improved their satisfaction with their provider.



It's also important to develop a cohesive patient billing experience across your practice's website, portal, and bill payment center. User experience design consistency builds trust and recognition, and it also helps patients more easily find information and features they're looking for. If you're using an internal system for billing collections, use A/B testing on key features such as the payment button, components of the enrollment process, and the text. You can run small tests on each of these features and refine your payment center over time.

As you perform these A/B tests, take time to train and follow up with your office staff. This training may include programs by external providers on software as well as information on recent updates to coding and billing in the industry.

## Where Technology Fits into Streamlining Practice Administration and Billing

Billing technology can help you manage and improve your revenue cycle management. Patient expectations for the care experience, communications, and bill pay are on par with their demands from consumer organizations. Meeting these demands can make or break your revenue cycle.

Denials are another aspect that practice administration and billing software can help with. In 2016, [\\$262 billion in medical claims](#) were initially denied, and 63% of those claims were recoverable. Given that recovering these claims cost \$118 per claim on average, getting these claims right the first time can significantly improve revenue cycle management.

Billing and practice administration software should also help your staff track bills, payments, and other business operations. When performed manually, these tasks are inefficient, time-consuming, and costly. They also open up significant room for error and delays. The right practice administration software will streamline these operations through automation, claims scrubbing, tracking, alerts, reporting, patient notifications, scheduling, and more.

At RXNT, we're proud to help practitioners and their staff embrace the new face of healthcare through cloud-based practice management software. Our physician [Practice Management system](#) unites electronic Medical Billing software with digital Patient Scheduling functionality to maximize your revenue and profitability. The flexible design can be easily customized to your practice needs. If you're ready to simplify billing and revenue cycle management in 2021, [get in touch with our team](#) for a free, no-strings-attached virtual demo.