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Fi-Med Management, Inc.

Finally, the Cure for Physicians' Financial Headaches

Fi-Med Management, Inc.

Milwaukee-based Financial Medical Management Firm Helps Improve Performance and Level the Playing Field for Independent Physicians Nationwide

By Tonya Poole

With technology, the health care industry has found the ability to detect, diagnose, evaluate, monitor, manage, cure and even predict what ails us. In many cases, even detection would have eluded doctors just 20 or 30 years ago. But what about what ails our doctors? That's been the million-dollar question, often literally, for independent physicians everywhere as increasing insurance headaches, compliance issues and patient performance care standards continue to plague the industry.

"It sounds so simple for anyone outside the industry to ask that a physician simply focus on caring for patients," says Rosa Miranda, manager of business technology solutions at Fi-Med Management, Inc. in Milwaukee. "But the reality is that patient care is now, for many of them, just one component in a long and complicated list of functions a physician needs to be on top of."

Thirteen years ago, co-founders Adrian Velasquez and Christine Krause joined forces to establish Fi-Med and put to use the growth of communications and automation technology. Using the tack-sharp business acumen between them, they set out to empower independent physicians by giving them access to sophisticated tools and reporting capabilities otherwise available only to large health care corporations. The business began in late 1993 as a modest operation in Krause's home. "We had no investment capital at that time," says Velasquez. "We started with a very small cash infusion — just the two of us, some great ideas and a German shepherd named Brindle."

Not long after, as the team added staff, Velasquez says the operation took over the house. They invested in and moved into a 5,000-square-foot building.

"Today we have more than 30 employees, and though we only purchased this building a few years ago, we've already outgrown it and are looking to expand into an 11,000-square-foot facility."

The fantastic growth of the company after 13 short years, the first of those on a shoestring, is evidence of intense demand from physicians nationwide for the services they provide, including accounts receivable management, real-time scanning and transmission of

encounter forms and explanation of benefits, compliance monitoring, claim appeals, detailed reporting and analysis, lockbox services and more. Miranda, who's been with Fi-Med for more than nine years, says the company invests heavily in the research and development necessary to make processes more efficient, more effective and result in better overall profitability for their clients. Miranda says she started from the ground up, coming on board in the accounts receivable department where she spent time learning every aspect of the company and each critical step of the services it provides to its clients.

"I was seeing a lot of redundancies in the medical clinic's process," Miranda says. "I worked hard to help eliminate those and to leverage Fi-Med's technology to resolve those issues."

Today, Miranda heads up the team's IT department and serves as staff trainer for physicians and

their office staff — setting up client systems, establishing connectivity between offices, training clients on the software and technology, and walking physicians through the most complete and accurate way to fill out encounter forms and other documentation to ensure clean claims and quick receivables turnaround. "These physicians are getting the same state-of-the-art tools and benefits that large organizations have at their disposal," she says. "But they're getting them without the prohibitive costs, maintenance and headaches they



PHOTO BY DON RASK

Christine Krause and Adrian Velasquez, owners of Fi-Med Management, Inc. Photo taken at the Milwaukee Art Museum

On the Cover

Christine Krause and Adrian Velasquez, owners of Fi-Med Management, Inc. Photo taken at the Milwaukee Art Museum

come with if they were to purchase and maintain them on their own. Fi-Med has everything seamlessly running in the background, and they automatically get all the latest updates and upgrades without lifting a finger.”

Before she leaves a clinic setting, Miranda ensures the whole office is proficient with their new equipment, including a scanner that can process an impressive 90 double-sided pages per minute. But she’s careful to note that Fi-Med values the balance between technology and the human relationships that drive the medical community. The tools, processes and ideas she leaves behind are designed to accomplish Fi-Med’s ultimate goal: to allow their client physicians to concentrate on providing quality patient care, knowing that Fi-Med is aggressively managing their accounts receivables and improving the efficiencies and effectiveness of their administrative offices.



PHOTO BY DON RASK

Nou Xiong, Eno Bassey, Chris Poppert and Lynn Smith identify hotspots in one of their weekly client meetings.

The staff at Fi-Med is among the most educated, trained and compensated in the industry, particularly considering the proliferation of fly-by-night medical billing companies that often disappear as quickly as they sprout up. Their values for excellence extend from management to employees to clients and to the continuous evolution toward better business, for themselves and their physicians.

Among the biggest challenges physicians face is maintaining compliance with HIPAA regulations, not only in their practice, but in their billing as well. Fi-Med’s certified health care compliance consultant works with the physician and staff to ensure the appropriate waivers are on file, that their forms and paperwork are compliant, that the office keeps up with and responds to quarterly changes to claims processing, and helps to educate the staff on daily HIPAA practices. Offices are outfitted with HIPAA-compliant technology like firewalls and data encryption.

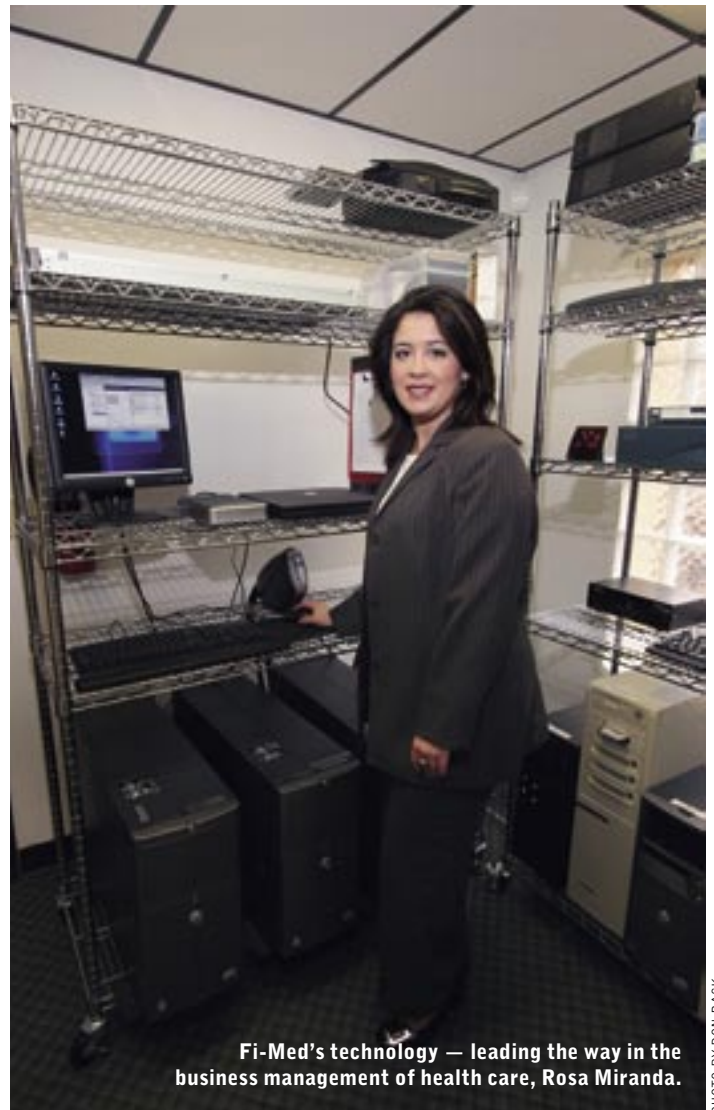
With the arrival of pay-for-performance on the scene, Fi-Med has taken their services a step further and provides clients with the monitoring, tracking and evaluation that’s critical to staying above the fold in outcomes and customer satisfaction — helping to alleviate the risk of reduced reimbursements and network complications and denials.

Through the powerful combination of improved collection of receivables, faster turnaround, consistent compliance, more efficient practices and detailed reporting and analysis, Fi-Med’s staff and services are able to significantly affect the bottom line for the physicians on their roster. Each new account is analyzed to establish

a baseline for revenue cycle, flow and productivity. Velasquez says that, incredibly, most clients begin seeing notable results within the first 60 days. “The benefits are pretty immediate,” he says. “But at six months out, that’s when the account really starts to mature and we’re getting data feedback to show us how far they’ve come along.”

Velasquez says the team has the ability to identify the true cost of any procedure — from a standard office visit to a shot to an appendectomy — for their physicians, and they’re able to compare that to reimbursement rates on contracts the practice receives from managed health care plans to determine whether or not the deal is a profitable one. “This really is the crux of what we do,” he says. “To

Be it annual contracts, quarterly reporting or daily operations, Fi-Med’s financial expertise is, for many of their clients, a remarkably in an industry that often changes rapidly and without warning.



Fi-Med’s technology — leading the way in the business management of health care, Rosa Miranda.

PHOTO BY DON RASK

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Most of the time, she says, their biggest problem was likely a proliferation of holes in the system they couldn't see, or if they could see them, were at a loss for how to fix them. Fi-Med comes

What people are saying about Fi-Med

"I have been very impressed with [Fi-Med's] management philosophy and their commitment to employees ... I consider them one of the jewels of Milwaukee."

—Nelson Soler, University of Wisconsin,
Hispanic Entrepreneurial Center

"We were paid for billing the month we started with Fi-Med and still had not received payments from bills sent out the month before [from in-house billing]. It was glaring right away."

—Neurologist, Fort Mohave, AZ

"We had an existing [billing] vendor when I joined the company in 2003 that was not capable of handling what we wanted. We wanted to enhance the electronic service and be able to connect to their system electronically to scan tests and submit claims ... Fi-Med improved our ability to manage our business."

—Pathology Lab Vice President of Contracting
and Managed Care, New York, NY

"[They] identified E/M utilization patterns that we never would have seen ... fortunately, we saw them before our carrier did and were able to identify potential compliance problems and correct them in short order. I can't imagine what the cost would have been had we continued the way we were going."

—Orthopaedic Administrator, Tampa, FL

"Just a word of thanks to you guys ... it used to take more than two days to reconcile receipts ... now it takes about five minutes."

—Pathology Lab CFO, Ocala, FL



PHOTO BY DON RASK

Innovative leaders of Fi-Med — Kimberly Rasmussen, Christine Krause, Adrian Velasquez and Rosa Miranda. Photo taken at the Milwaukee Art Museum.

provide physicians with the tools and data to make intelligent business decisions and keep the whole practice firmly in the black."

Be it annual contracts, quarterly reporting or daily operations, Fi-Med's financial expertise is, for many of their clients, a remarkable ally in an industry that often changes rapidly and without warning. Thanks to skilled analysts and intuitive tools, the team's staff will know, by about the seventh day of the month, exactly where that client's cash flow is targeted to be by the end of the month, and if there's a problem detected, they know just where to find it.

"It used to be that only hospitals and large, corporate physician groups could enjoy the kinds of tools we're providing to independent physicians," says Krause, who also serves as Fi-Med's CHCC (certified health care compliance consultant). "The smaller, private operations were being edged out because they couldn't compete. It's been akin to the fate of drug stores, we once had all of the wonderful mom and pop stores on the corner and now all we have are large corporate chains. We really wanted to do something to elevate independent physicians to regain their footing and succeed despite those challenges, and most importantly, remain independent rather than being folded into a larger system."

Krause points out that it's unique to health care today that operating expenses like salaries, lease rates and technology continue to rise, at the same time Medicare and other managed care reimbursements are decreasing. That squeeze makes it tough for physicians to keep their doors open, and many defect to the hospital setting or join other larger groups with corporate ties.

If a claim should be returned with a denial, the team automatically appeals it and, with comprehensive documentation in place and the expert knowledge of government guidelines and insurance regulations, they're more likely to come away with an approval than someone in the client's office might be.

in and can seek out the holes in a practice that leak revenue and productivity, and plug them immediately, stopping the losses. Accounts receivable alone can make a tremendous difference in the hands of skilled billing and collections personnel, and Fi-Med's track record has consistently shown they can take an A/R cycle of 90 days and turn it around in 24–42 days. Claims are sent out clean the first time, every time, and denials are significantly reduced or eliminated. If a claim should be returned with a denial, the team automatically appeals it and, with comprehensive documentation in place and the expert knowledge of government guidelines and insurance regulations, they're

Fi-Med Services At-a-Glance

Accounts Receivable Management

- Technology allow us to submit compliant claims to payers
- Pended and denied claims reduced by 85 percent
- Increased profits and improved cash flow
- A/R turned in 24 to 42 days
- Reduced compliance risk
- Pay-for-performance analysis

Lockbox Processing

- Reduced compliance risk in the medical facility
- Increased cash flow with quicker access to funds
- Reduces the cost of payment processing
- Reduces expensive bank lockbox service fees

Statistical Analysis

- E/M utilization patterns
- Procedure utilization patterns
- Cost analysis by procedure code
- Detailed monthly reports on charges, payments, adjustments
- Detailed monthly a/r analysis reports
- Acuity factor analysis

Online Connectivity

- Real-time access to appointment scheduling, recall system, patient demographics, encounters and EOBS

Consulting

- Offering consulting services to assist in the review of policies and recommendations of effective and efficient flow of work through the medical business office.

Meeting with Dan Delgadillo, business associate.



PHOTO BY DON RASK



PHOTO BY DON RASK

Andy Ortlieb during the scanning and archiving process for client Web access.

more likely to come away with an approval than someone in the client's office might be.

"We catch potential problems before they make it out the door," says Krause, "rather than wait 90 days for it to come back denied and have to fix it amidst those delays. And we educate our clients throughout the process how to reduce errors at the practice level." Krause says that their clients see an average of 3–5 percent increases in net income, even after deducting Fi-Med's fees — an achievement that, paired with the team's diligent research and turn-on-a-dime

flexibility, is ultimately responsible for their outstanding growth.

"Health care is such a dynamic, fast-changing industry," says Velasquez, who likes to joke that the company has been a 13-year overnight success. "Daily we can see things changing, new details to keep track of, new compliance regulations to manage. When you're in that kind of fluid environment, if you're not changing with it, you'll become extinct."

To learn more about Fi-Med's team and array of services, call (414) 258-9511, or visit them online at www.fimed.com. ■



Let Fi-Med partner with your billing department to improve cash flow, increase productivity and reduce compliance risk. Call today.

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