

THE FLUID PRACTICE

It's Time to

At first glance, the financial future of a typical ophthalmology practice looks daunting. We know we'll see declining reimbursements and rising costs for labor and supplies. Profits will begin to drop at two to four times the current rate. In a traditional ophthalmology practice with an average overhead, a 10% reduction in collected revenue will require a nearly 30% increase in patient volume to sustain a physician's present income. It's scary to realize how much more you'll have to achieve just to tread water.

You can work harder or work smarter, but there's a limit when it comes to working harder.

It's time to think about efficiency in terms of major change, not minor change. Successful practices accept the reality that they have an opportunity to make a material change in the way things are done. Practices that cling to the old way of doing things will soon be in trouble. It's my job to improve processes and reduce costs, such as indentifying cost-effective ways to enhance patient flow and promote clinical efficacy and consistency.

The key today is time. To see more patients per day without adding staff or space, you need to use all of the tools at your disposal to optimize your time, staff time and patients' time in your practice.

A Matter of Minutes

The only way to see more patients in the same amount of time is to reduce the time each patient spends in the practice. That doesn't mean you push them out the door — it means you save them from waiting. It makes them happier, because wait time is a major factor in satisfaction, and you'll be more financially secure.

First, wait time reflects the patient arrival pattern. Perhaps patients come in early and can't be processed or they get bunched up. Good scheduling and faster processing cut wait time. Workflow is another way that wait time accrues. You may already know how long patients sit in your waiting room on average. But how much time do they spend waiting elsewhere in your practice?

When you move patients around, they face intermittent waits when equipment is in use or technicians are helping other patients. Those minutes add up. If you can improve wait time significantly — for example, by 10 or 15 minutes per patient — you'll add 500 minutes a day to accommodate more patients or reduce staff hours. Some think you need to add square footage to see more patients, but you can avoid this expensive endeavor by increasing your patient capacity within your existing footprint. If you already have a large office, better efficiency can free up space for other purposes.

Efficiency isn't elective. Use the technological tools designed to enhance profits in the new healthcare environment.



We cut wait time throughout the practice by reengineering the patient flow and employing new automated equipment and software that can combine steps or cut transportation. But first, we need to identify where wait time exists in the practice.

Modeling Patient Flow

The first step in improving patient flow is to get an intimate picture of the existing situation. In undertaking this process, we've learned to use a computer-aided design simulation program that allows us to diagram patient flow. The Simcad Pro software model may be new to the ophthalmology practice, but it's a powerful way to measure performance.

We hired an MBA student to gather data for the model through an internship, and we used the data to create a queueing model that simulates the dynamic flow of how things work. With this model, we can see patient wait times, the processing time in the exam lanes and the time spent with diagnostic equipment. The model helps us determine how to improve utilization of doctors and technicians. We see the stops and starts in patient flow, so we can enhance the

A Bottom Line for the Future

- Significant, rapid changes
- Much more regulation and compliance hits
- Less income
- A serious need to fundamentally reengineer:
 - Labor is the greatest cost and thus the most important to control, so efficiency and productivity are primary factors.
 - Debt requires greater thought and care, as do capital-intensive technology investments.



Reengineer

process. We know what changes we need to make in wait times, chair times and total time required for each patient.

As a result of this learning process, we're planning to implement the Epic-5100 Vision Diagnostic System (Marco) with modules and workstations to improve workflow and reduce processing time for patient evaluations, and we've enhanced our ongoing electronic medical record (EMR) integration.

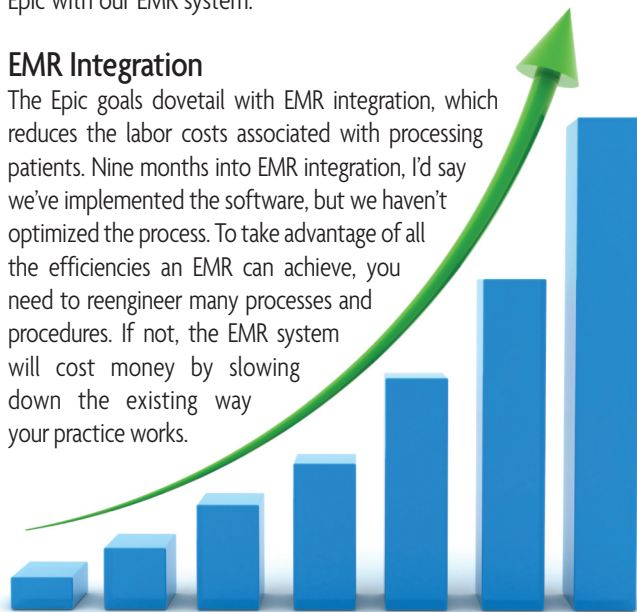
Marco Workstations

The patient flow model pointed to patient movement and wait time between tests. Using Epic, we estimated that we could reach a target of 20% improvement in total time by either decreasing labor or increasing patient volume, while at the same time improving patient wait times and the consistency of technicians' clinical evaluations. The Epic combines an electronic refractor, an auto-refractor/keratometer, a chart projector and an auto lensmeter in half the space of a traditional lane (5 by 6 feet).

The key is that Epic supports performing a number of standard evaluations at the same time without moving the patient, which reduces wait time and even transportation time, particularly when you're talking about elderly patients. The patient and technician go to a single station for 6 or 12 tests in 15 minutes, which may translate into as much as a 50% reduction in the total evaluation time. And in this faster process, we can collect more data, ensure more consistent documentation and access the data in a portable way by integrating Epic with our EMR system.

EMR Integration

The Epic goals dovetail with EMR integration, which reduces the labor costs associated with processing patients. Nine months into EMR integration, I'd say we've implemented the software, but we haven't optimized the process. To take advantage of all the efficiencies an EMR can achieve, you need to reengineer many processes and procedures. If not, the EMR system will cost money by slowing down the existing way your practice works.




Some Positives to Keep in Mind

- Ophthalmologists have relatively high income levels
- Doctors can draw on the non-covered portion of care (LASIK, premium IOLs, etc.)
- Baby boomer aging will ensure volume and demand
- Doctors and patients like new technology because of the "wow factor"
- Process speed rewards eye codes vs. E&M coding.

In our practice, we've found that the EMR system has improved the opportunity for compliance, while at the same time pressuring us to slow the patient testing workup, as well as patient flow, or processing time. Initially, entering data on screens at every juncture added several minutes each time, which is a significant increase when multiplied by 50 to 100 patients each day. Today, we've integrated most of our diagnostic devices into the system, which reduces transcription. Epic will communicate with the system as well and require only one EMR interaction from the technician for several tests. For those times when a device can't send data directly to the EMR, we're moving toward using a scribe for documentation, which should improve efficiency.

Conclusion

It's well understood that in the ophthalmology world, we have advanced technology for diagnostic testing and analysis. On the other hand, the application of this technology to increase production, smooth patient flow, improve cycle time or streamline administrative functions, such as front office work or marketing, has lagged behind the business world significantly. For years, we've been adding advanced clinical technology without reengineering the patient flow system.

This slow-to-adapt approach will come to a screeching halt when reimbursements are cut, costs rise, more labor is required to do things the old way and the revenue numbers just don't work anymore. Using technological automation in the patient flow process will help you regain the speed and efficiency necessary to maintain historic levels of income or, in some practices, to simply remain in business. 

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