

BUSINESS INSIGHTS

for healthcare professionals

A Model of Care

Is creating a patient-centered medical home a good move?

You want your practice to provide the best possible care while maximizing efficiency and profitability. What's the best way to make that happen? According to experts, it may be by implementing the patient-centered medical home model.

The model is a team-based approach to care led by a personal physician. He or she collaborates with the rest of the practice, where everyone takes responsibility for each patient's ongoing care. The lead physician provides coordinated care throughout a patient's lifetime by addressing all of a patient's healthcare needs, such as making necessary arrangements with other health professionals and specialists.

The model results in a team of healthcare providers working together to provide superior care and communication with an emphasis on quality and safety. It also delivers integrated, convenient access to preventive services, treatment of acute and chronic illnesses, and coordination with entities including hospitals, home health agencies and nursing homes.

Building the Model

These are among the principles developed jointly by the American College of Physicians, American Academy of Family Physicians, American Academy of Pediatrics and



American Osteopathic Association to describe the patient-centered medical home model.

Creating a medical home also includes providing patients with improved access to care through strategies such as open scheduling, expanded hours of operation and the use of alternative communication methods like e-mail.

The incorporation of technology to ensure accurate record keeping and confidential sharing of patient information is essential, as are measurable quality and safety measures. In addition, payment must be structured to recognize the added value patients receive from the medical home model.

Home, Sweet Home

A patient-centered medical home can be good for practices and their patients. A study conducted by the Group Health Cooperative demonstrated some of the benefits: reduced care costs for patients, longer visits with their

physicians, improved provider cooperation and more preventive care.

The study, which compared outcomes for 9,200 patients being cared for under the medical home model with a control group of those who were not, showed a 29 percent decrease in emergency room visits in one year and an 11 percent decline in hospitalization rates among the medical home patients.

It's also worth noting that only 10 percent of medical home doctors and staff reported burnout or emotional exhaustion, compared to 30 percent from the control group. The reduction was often due to the use of technology for more efficient practice management.

The American Academy of Family Physicians offers detailed information on establishing and maintaining a patient-centered medical home. Visit aafp.org and look for the related section under the "Running a Practice" tab on the home page. ■

[2] Protect Your Practice
Make an emergency plan to secure EHRs and other data

[3] Are Your Records Secure?
Encryption keeps private information safe

PNC CFO
cash flow options





Keep Your Practice Safe In the Tech Age

How you manage your EHRs is essential, especially in an emergency.

Electronic health records (EHRs) are becoming standard in many practices, which is a good thing for the efficiency of your operations and for the quality and safety of patient care.

If you've implemented EHRs, though, you know it's not as simple as setting up a system and hitting a switch. You need

to consider the long-term management of the system, says the American Health Information Management Association (AHIMA).

AHIMA advises setting up an EHR management strategy that maintains a high level of business and legal integrity, such as protecting the security of confidential patient data (see "Are Your Records Secure?"). Ideally, processes and capabilities should be built into the EHR system during implementation, but it's never too late to look at the big picture, from day-to-day operations to emergency plans.

Daily Requirements

According to AHIMA, solid EHR management requires consideration of planning, processing, distribution, maintenance, storage, retrieval and disposal through archiving or destruction. Again, the security of

data is paramount when it comes to patient information—or even the details of your operations, such as financial records and employee information.

Beyond protecting privacy, consider this: A system crash that wipes out your data could be disastrous to your practice. Daily backups stored in a secure online environment or a physical off-site location are the best way to ensure the security of your data. Test your backup system frequently to make sure it's working properly.

Emergency Response and Recovery

Backups are fundamental to disaster recovery and business continuity. A disaster could be as simple as a lightning strike that knocks out power or as complicated as a fire, terrorist attack or major weather event.

You need to know your data is protected and accessible, even

if you're not able to get into your building for a period of time. That's why off-site backups or those stored in a secure online "cloud" are so important. Redundant backup servers running on redundant power supplies are another good idea.

When it comes to business continuity, the key is to have a step-by-step plan in place before an event occurs. Write out the plan and run your staff through a preparedness exercise. Assign staff members to specific tasks so there's no hesitation in an emergency. Remember that the first step is always to make sure everyone is safe.

Once the emergency has passed, you can restore your systems using backup data. Although there may be other issues to deal with related to your physical space, you'll still be able to take care of patients. ■

For more information about the PNC Advantage for Healthcare Professionals, please contact:

Are Your Records Secure?

Like a locked door, encryption keeps sensitive data from getting into the wrong hands.

Encryption is a vital way to protect the personal health information (PHI) contained in electronic health records (EHRs), whether those files reside on your practice computers or they're shared with others, such as specialists.

Although the Health Information Technology for Economic and Clinical Health (HITECH) Act doesn't specifically require encryption of EHRs, the U.S. Department of Health & Human Services (HHS) provides this compliance guidance:

"Covered entities must comply with the requirements of the HIPAA Privacy and Security Rules by conducting risk analyses and implementing physical, administrative, and technical safeguards that each covered entity determines are reasonable and appropriate."

What's more, the privacy and security workgroup of the federal Health IT Policy Committee recommends that providers encrypt patients' PHI when sharing data. The workgroup has asked HHS to set policies related to encryption.

If you're not already encrypting patient data, these tips may help you get started:

- **There are many kinds of encryption.** All of them convert regular text into encoded text that can only be decoded with a password.
- **Encryption can be applied to documents, folders, hard disks and networks.**

Laptop computers and Wi-Fi networks should always be encrypted. Your practice should also have secure e-mail with full content filtering.

- **Encryption software is widely available.** You can install it yourself or, better yet, enlist the aid of an expert. Just be sure to record your passwords, or you'll be locked out of your data along with everyone else. ■



AMA Recommends Medical-Legal Partnerships

During its 2010 annual meeting, the American Medical Association (AMA) voted to adopt a policy that encourages physicians to establish partnerships with nurses, social workers and attorneys. According to the AMA, the policy is intended to help physicians identify and address diverse legal issues that can impact patients' health and well-being.

"Through this partnership, the unmet legal or environmental needs of patients can be addressed before they reach crisis proportions," said AMA Board Member David O. Barbe, M.D. "The AMA encourages physicians to develop medical-legal partnerships, and we will help them do this by creating a model agreement and working with key stakeholders on education."

—AMA

Medicare Payment Patch Approved

Following passage by the Senate and Congress, President Obama signed a physician payment measure to rescind a 21.3 percent reduction in the Medicare payment rate, and to provide a 2.2 percent increase in Medicare payments until Nov. 30.

The payment patch will apply retroactively to claims for services provided on or after June 1, 2010. The Centers for Medicare & Medicaid Services (CMS) expected to begin processing claims at the new rates no later than July 1. CMS instructs physicians who submitted claims in June with charges less than the 2.2 percent update amount to contact their local Medicare contractor to request an adjustment, but not to resubmit claims.

—AAFP

Are You Running Lean?

Principles borrowed from the manufacturing industry could make your practice more efficient.

If you think “running lean” means getting more exercise to lose weight, you haven’t been keeping up with a significant trend in healthcare.

Running lean means employing lean management principles originally used in automotive manufacturing. The method also goes by the names lean production, lean solutions and simply lean, but the principles are the same: improve efficiency and reduce wasted time, resources and money.

At one children’s orthopedic clinic in Wisconsin, applying lean principles has resulted in a 25 percent increase in productivity. Other healthcare systems and practices have seen similar improvements, many of them gained through simple steps such as posting boards that track patients being treated, labeling trays and drawers, and placing frequently used pager numbers where everyone can access them easily.

Less Waste, More Efficiency

Although it’s true that treating patients is a far cry from assembling automobiles, the concept of eliminating waste makes sense. The lean movement defines waste broadly, including downtime between productive steps, inefficient processes, use of unnecessary resources or efforts not related to getting the job done.

In a healthcare practice, ways to eliminate waste might be implementing more effective patient triage to reduce waiting times, doing away with redundant paperwork or saving resources by not giving patients a gown to wear until you’re sure they need a physical exam.

Many businesses bring in experts to help them identify lean solutions targeted to their operation, and that’s certainly one option for medical practices, too. However, you can also implement lean principles on your own by applying a lean manufacturing tool known as the 5S method. It’s a strategic approach to organizing and operating a workspace or workflow to reduce waste and improve efficiency.



Here’s what the 5S method encompasses:

- **Sort:** Remove all unnecessary items from the work area.
- **Simplify:** Organize items in the order they are needed for particular processes.
- **Sweep:** Create a daily system for keeping the workspace clean and organized.
- **Standardize:** Train everyone to perform repetitive tasks the same way every time.
- **Sustain:** Commit to maintaining the procedures established to run lean.

Get It Done

In order for lean principles to work, everyone in the practice must agree to adhere to them consistently. A good way to start is to involve the entire practice in reviewing current processes and brainstorming about ways to redesign them for greater efficiency. Look for ways to save staff time, resources and money, and to improve the experience for patients.

Then it’s a matter of training and time so everyone in the practice is using processes consistently. If you discover a new process isn’t working, keep redesigning it until it does. The results are worth the effort. ■

PNC Healthcare Business Banking

At PNC, we understand that generic financial services aren’t always the right prescription for the unique needs of physicians, dentists, veterinarians and other healthcare professionals. Your PNC Healthcare Business Banker offers you extensive cash flow options and targeted banking tools and resources to help you effectively manage the business side of your practice, finance your plans for future growth, hire and retain quality employees and enable your journey toward your personal financial goals. To learn more, contact your PNC Healthcare Business Banker, call 877-566-1355 or visit pnc.com/hcprofessionals. Banking and lending products and services and bank deposit products provided by PNC Bank, National Association. **Member FDIC.**

All loans and lines of credit are subject to credit approval and may require automatic payment deduction from a PNC Bank Business Checking Account. Origination and annual fees may apply.

Business Insights for Healthcare Professionals is published quarterly for PNC Bank by McMurry. Articles are intended for general information purposes only and are not intended to apply to any specific facts or circumstances or as a substitute for professional counsel. ©2010 by McMurry.

This publication may provide reference to Internet sites as a convenience to our readers. While PNC endeavors to provide resources that are reputable and safe, we cannot be held responsible for the information, products or services obtained on such sites and will not be liable for any damages arising from your access to such sites. The content, accuracy, opinions expressed and links provided by these resources are not investigated, verified, monitored or endorsed by PNC.