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Digest



READINESS, RECORDS AND RISK:

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Preparing Your Practice for 2010

It's that time of year again, when leaves are beginning to fall, the air is beginning to chill and you are finalizing your practice's 2010 budget. Creating a medical practice budget is an important element to managing a successful practice, especially during these tough economic times. One of the benefits of creating a formal budget is that it encourages physicians and practice managers to evaluate their needs and begin to think about some of the initiatives they want to undertake in the upcoming year. As the economy slowly begins to crawl towards the promised turnaround, now might be a good time to revisit some of the projects that were abandoned when the economy began its tailspin.

As you prepare your practice for 2010, remember the three Rs: readiness, records and risk. These represent three important issues that you are undoubtedly going to be faced with in the upcoming year. For those physicians who had hoped to adopt some of these ideas into their practice, now may be the right time for a revisit.

Is Your Practice Ready?

Since the events of September 11, 2001, a number of reports have been published that confirm that while most physicians agree they need to be prepared to respond in the event of an emergency, they are not always certain about what they need to do. As the second wave of H1N1 infection continues to spread across the state and beyond, now is the time to ensure that your practice is prepared to respond to the next public health emergency.

You can start by reviewing and testing the supplies and equipment you have and by thinking about how your office would operate in the midst of a flu pandemic, a terrorist attack or other public health outbreak. Will your office be able to maintain practice services with fewer staff? Does your office have an "emergency kit" of masks, prophylactics and other emergency supplies? Once you complete your assessment, you will likely

discover areas in your practice that could use improvement. Your improvements may be as simple as updating office policies, or you may discover that you need emergency protocol training and new supplies and equipment. The cost to ensure that your office is properly equipped will vary depending on your practice type and the kinds of provisions you want to make.

Not surprisingly, the country's economic woes have led to decreased public spending in essential areas of state and local emergency preparedness. A report from Trust for America's Health and the Robert Wood Johnson Foundation entitled "Ready or Not? Protecting the Public's Health from Diseases, Disasters and Bioterrorism" identified New Jersey as one of eleven states that cut their public health emergency budget last year. New Jersey scored seven out of ten in readiness. No one knows what the next public health emergency will be or exactly when it will strike. But what is certain is that, despite reduced funding for this critical area, the physician community will be at the frontlines of the response.

Are You Preparing for Electronic Health Records?

In today's digitalized world, we can complete our taxes, earn an advanced degree and perform any of a number of complex transactions over the Internet. Despite the fact that e-mail and digital information make up the bulk of many company's business records, medical records are still paper-based in many practices across the state. The passage of the American Recovery and Reinvestment Act in February of this year has pushed the concept of electronic records management to the forefront of the nation's healthcare dialogue.

Although physicians have been slow to adopt electronic records management systems, there has been little argument about their potential value. When successfully implemented, electronic medical

record systems can help facilitate physicians' workflow and improve patient care. In fact, the Institute of Medicine identified the application of information technology as one of the primary ways the medical community can improve the quality of healthcare. Also, we have seen recent studies indicating that physicians that utilize electronic health record (EHR) systems may be less likely to pay malpractice claims than physicians without EHRs.

The time to consider implementing an electronic health records system is now. The incentives physicians will be eligible for under the ARRA stimulus bill may help offset some of the implementation costs. Office-based physicians who are able to demonstrate "meaningful use" of a certified electronic records management system will be eligible to receive up to \$44,000 in benefits through Medicare over a five-year time frame.

There is no question that information technology solutions such as electronics record management systems will play a significant role in transforming our healthcare system. Whether or not you are sold on the benefits of electronic records, it would appear that the federal government has been. Physicians who do not adopt electronic records technology by 2015 will find their Medicare payments reduced by 1% in 2015; 2% in 2016 and 3% in 2017 and beyond.

Are You Adequately Managing Your "Risk"?

When I ask physicians about the biggest challenge they face in operating their practice, invariably their answer is concern over being sued. One proven method to reduce your chances of being sued is to institute a systematic risk management program for your practice. Effective risk management requires more than just attending a seminar or completing an online course; it involves committing to a

method of practice that is designed to reduce liability risks while providing patients with safe, quality medical care.

The first step toward implementing a risk management program for your practice is to understand where your risk lies. Identifying and understanding the liability risks to your practice means that you can devise tools and strategies that can impact that risk positively. Take a good look at your practice. What are the things that are being done right? Are you practicing the four Cs of risk management: compassion, communication, competence and charting? Where does your practice need improvement? Is it in staff training? Software solutions? Once you identify your needs, with all of the healthcare vendors and software providers, finding the right tools to fill them should be relatively simple.

As you plan for 2010, the thought of trying to squeeze new projects into your budget may seem impossible. However, in many cases the benefits will well outweigh the cost. They key is to research the issues thoroughly. There are many resources available to you as a physician, both locally and nationally. Your medical professional liability carrier may be a great place to start. The best liability carriers stay up-to-date on the latest risks and challenges facing physicians and offer training and guidance on timely issues – sometimes even at no cost. For example, MDAAdvantage offers its policyholders free training and access to resources on emergency preparedness, electronic health records and risk management strategies on an ongoing basis.

Here's to a happy, healthy and prepared 2010!

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