



**MEDICAL MANAGEMENT, LLC**

*The Physician Practice Management Company*



# **PROHEALTH PARTNERS LOGISTICS**

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## OVERVIEW

- Physician becomes an “Employee” of ProHealth:
  - Income is based on actual collections less actual expenses
  - Physicians maintain independence:
    - Determine location(s) to work, hours to work, which types of patients to see, etc.
  - Access to group rates for health, dental, life & disability insurance
  - Access to 401k / Pension Plan
  - All payroll taxes / benefits, etc. coordinated by Argus
  - Billing through ProHealth Tax ID, 100% of collections allocated to physicians
- Argus provides “Management Services”:
  - Billing, EMR, Systems
  - Employee Staffing
  - Accounting / Benefits / Human resources
  - Credentialing, PPO Contracting, Purchasing Contracts, Marketing
  - Regional Manager
  - Argus “advises” – physicians have final say
- Physicians can leave with 60 days notice:
  - No non-compete or non-solicitation clauses

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# PHYSICIAN INCOME

- Physician Income:
  - Collections
  - Less Office Expenses
  - Less Billing & Mgnt. Fees
  - Less Professional Expenses
  - = Physician Income
  
- Logistics:
  - Physicians are paid based on a “draw” every 2 weeks
  - At month end actual income is reconciled with the “draw”
  - If the actual income > draw, the physician can be paid the excess
  - If the draw > actual income the draw is reduced or skipped until the deficit is made up

# EXPENSES

- Office Expenses: Staff salary & benefits, furniture & routine equipment, and office rent, utilities, computers
  - Employees:
    - Physician's employees would become Argus employees
    - Argus will coordinate payroll, benefits administration and human resources and charge cost to the physician's cost center
  - Accounts Payable:
    - Argus will pay all expenses from Argus and charge back to the physician's cost center at cost
    - Physician (or his designate) will approve all expenses
- Professional Expenses: (Physician Specific)
  - Payroll taxes (FICA, MediCare, W/C, SUI, etc.)
  - Health, Dental, Life, Disability, Hospital Dues
  - Expense Reports, eg. auto., seminars, CME, etc.
  - Specialty equipment and supplies

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# MANAGEMENT SERVICES

- **Staffing:**
  - Payroll, benefits administration, human resources, float pool
- **Regional Manager:**
  - Staff supervision, hiring and firing, assistance in set up, procurement of furniture, equipment, supplies, etc.
  - Coordination of physician cost sharing agreements
  - Coordination of hospital support package reporting
- **Accounting:**
  - Accounts payable, profit & loss statements, payroll, benefits administration, human resources
- **Credentialing:**
  - OSHA, HIPPA, credentialing, business licenses, marketing (Bio-cards, web-site,), PPO contracting
- **Group Purchasing:**
  - Supplies, services, malpractice insurance
- **Marketing:**
  - Bio-Cards

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# BILLING SERVICES

- Practice Management System:
  - Practice mgnt. system with scheduling, recall notices
  - Claims scrubber
  - Electronic eligibility
  - Report writer
- Training:
  - CareTracker system training for staff and physicians
  - Coding training for staff and physicians
- Billing:
  - Charge entry payment posting, accounts receivable follow up
  - Insurance and patient balance follow up
  - Patient statements, collection letters, phone calls
  - Lockbox, banking, courier service
- Help Desk:
  - Monday to Friday, 9am to 5pm
- EMR:
  - Fully integrated web-based EMR

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# BILLING LOGISTICS

- Insurance payments:
  - Would come to the ProHealth lock box
  - All collections to be credited to physician's "cost center"
- Over the Counter Payments (OTC):
  - Argus Courier service will pick up weekly
- Demographics and Eligibility:
  - Physician's staff will enter all demographics into the system and confirm eligibility (CareTracker has an automatic eligibility feature)
- Charge Entry:
  - Office has the option of entering charges for a discount on billing fees, or
  - Argus can enter charges

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# MANAGEMENT FEES

- Management Fees:
  - A \_\_\_% of collections from patient services
  - Only charged on collections up to \$500,000\* per provider in a single calendar year
  
- Miscellaneous:
  - H.R. Posters: at cost.
  - OSHA manuals and outside training: at cost
  - A \_\_\_% of Administrative income and “non-practice” related income that goes through the billing system
  - Manual checks: \$\_\_\_

\*may be subject to change.



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## BILLING AND SYSTEM FEES

### Billing Fees:

- Option # 1: Physician office enters charges:
  - Fee for Service: a \_\_\_% of collections
  - Capitation: a \_\_\_% of collections
- Option # 2: Argus enters charges:
  - Fee for Service: a \_\_\_% of collections
  - Capitation: a \_\_\_% of collections

### Banking / Courier / Deposits:

- a \_\_\_% of collections

## BILLING AND SYSTEM FEES

- Systems Fees: Includes Practice Mgmt. System, help desk, training support. Per Provider.
  - System Fee: \$\_\_\_\_
  - Clearinghouse: \$\_\_\_\_ per provider per month
  - Patient Statements: \$\_\_\_\_ to \$\_\_\_\_ per month
  - PC Support: Optional
- EMR (Optional):
  - Normal fee is \$\_\_\_\_ per provider per month
- Training Fees:
  - Start Up Training and remote charge entry training: \$\_\_\_\_ per hour
  - No charge for routine CareTracker training at Argus regularly scheduled sessions (first come first serve)
  - EMR Training: \$\_\_\_\_ per hour

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# ADVANTAGES

- Access to Group Purchasing Discounts:
  - 30% to 50% discounts on medical and administrative supplies, furniture and equipment
  - 30% to 40% discounts on malpractice insurance
- Access to professional practice management:
  - Certified coders, CPAs and accountants, risk managers, regional managers, PC and network tech.s, credentialing specialists, expert billers. Reduce management headaches / burden
- Access to practice management systems:
  - Accounting (MAS200), Credentialing (Intellicred), Billing & EMR (Ingenix CareTracker), Customized reports and databases
- Access to group rated benefits:
  - Health, dental, life, disability
  - Flexible Spending Plan
  - 401k, Profit Sharing
- Independence / Flexibility:
  - Physician has the right to leave and practice in the community
  - No Non-Compete or Non-Solicitation clauses

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## NEXT STEPS

- Review Financial Forecast (Feasibility Study):
  - Review financial model for projected volume and income for the first 3 years
- Employment Agreement:
  - Review a draft Employment Agreement
- Credentialing:
  - A 3 month lead time for credentialing is ideal

**Thank You!**