



Arizona Oncology Services A NextGen Case Study

Overview

Practice

Arizona Oncology Services
Phoenix, Arizona

Profile

Twenty physicians providing radiation oncology services

Business Problem

Needed an effective practice management system to automate workflow processes and optimize revenue stream

Solution

Implemented NextGen EPM, increasing efficiency and stimulating expansion

Product Distinctions

- ▶ Seamless integration with EMR
- ▶ Sophisticated patient scheduling
- ▶ Comprehensive insurance eligibility function
- ▶ Effective managed care contract management system

Benefits

- ▶ Increased staff productivity
- ▶ Increased revenue
- ▶ Shortened A/R cycle
- ▶ Reduced billing errors

EPM Implementation Improves Workflow, Increases Revenue, Fosters Growth

Radiation oncology is considered to be among the most demanding medical specialties. In addition to meeting the incredible clinical demands of its patients, Arizona Oncology Services (AOS) also faced a wealth of operational demands, including:

- ▶ Ensuring the proper resources were in place so that every patient received superior care
- ▶ Assigning the proper ICD9/CPT codes for complex courses of therapy and billing for these services in a timely manner
- ▶ Optimizing the productivity of staff, and making sure workflow progressed smoothly and efficiently
- ▶ Identifying non-productive managed care contracts and renegotiating better reimbursement terms

To reduce these operational burdens, the practice implemented a robust practice management system from NextGen Healthcare Information Systems. The system gives AOS the tools it needs to automate workflow processes like treatment scheduling and staff assignments, as well as streamline coding, reimbursement and revenue enhancement activities.

Today, the practice has experienced measurable improvements in a wide variety of administrative areas, and these efficiencies have allowed Arizona Oncology Services to expand its presence in the community without adding staff.



“NextGen has more capability and power than any other practice management system I've worked with. Plus, it provides the flexibility in design and infrastructure we need to create custom applications to ensure we meet our financial goals while decreasing unneeded administrative time.”

Tim McKeough
Chief Operating Officer

Addressing Complex Clinical, Billing Challenges

Because cancer treatment is typically administered over extended periods with specific protocols and treatments provided each day, scheduling becomes a monumental task for oncology practices like Arizona Oncology Services. Not only do the right patients have to show up at the right times, so do the right clinical staff, the right supplies and the right equipment. As scheduling and other administrative tasks became more difficult due to increased patient volume, AOS (20 physicians, 8 free-standing offices and 4 hospital offices, serving 4,000 new patients in the Phoenix area each year) turned to technology as the way to help it function more efficiently.

Operational challenges extended to the billing side of the practice, too. Overall, cancer treatment is very expensive - each individual course of treatment could generate anywhere from \$5,000 to \$20,000 for Arizona Oncology Services. Thus, making sure that patients are eligible for treatment is a huge concern. Practice leadership also recognized the vital importance of negotiating their managed care contracts, since these agreements determined whether the practice made or lost money.

Choosing the Perfect Partner

In 2001, at the onset of its search for the right practice management, AOS leadership interviewed managers, billing personnel, physicians, nurses and therapists and asked them for a specific description of what they needed from the system. Using this "wish list," the practice researched more than 130 potential vendors, viewing preliminary demos from 30 of them.

A committee comprised of AOS' physician president, three managing doctors and other members of the management team then viewed detailed demonstrations of three systems. The committee unanimously decided on NextGen® Enterprise Practice Management (EPM) because of its advanced administrative functions, ability to facilitate compliance with HIPAA and breadth of technology. In addition, Arizona Oncology Services had determined it wanted the practice management system to integrate fully with its clinical systems (e.g., electronic medical record). NextGen® EPM could ensure this, since it was HL7 compliant and demonstrated successful connections with clinical systems.



Identifying Top Priorities

As it began to design the functions it would require in NextGen® EPM, AOS identified workflow management and billing support as its top priorities.

Workflow Management

Workflow management involves the automation of business processes, in whole or part, during which documents, information or tasks are passed from one user to another for action, according to a set of procedural rules.

Workflow management functions within NextGen® EPM typically work like this: An event takes place and the system doles out actionable tasks in the form of e-mail reminders to staff members. Then another event takes place and some tasks are added, while others are dropped. All the while, the staff members merely have to follow what the automated system is telling them to do. Finally, NextGen® EPM monitors completion of the tasks, a critical feature no other system provides.

As AOS implemented NextGen EPM, it found these functions helped them:

- ▶ Establish better process control, documenting work rules and procedures so functions could continue uninterrupted in the event of staff absences

- ▶ Improve quality control, like the use of specialized charge tickets for each procedure to minimize billing errors
- ▶ Improve staff performance by providing a system that can assign relative values to commonly completed tasks (e.g., valuing chart pulls significantly lower than insurance follow-up activities)

Billing Support

In addition to workflow management functions, AOS needed comprehensive billing functionality to help streamline the billing process. Because cancer treatment is delivered in increments, billing mistakes can have a domino effect. If an incorrect bill is created on the first day of treatment, practices like Arizona Oncology Services may not realize the mistake until 20 or 30 days later. As a result, the practice would have 20 to 30 days of incorrect codes to correct.

AOS determined that the first line of defense against such mistakes was a practice management system with strong eligibility functions. As such, it ensures that NextGen® EPM verifies eligibility before a patient comes in for treatment. The system not only prompts the staff person to get authorization for the treatment codes

“NextGen® has taken the confusion out of our workflow process and allowed the staff to focus their energies and skills to where they should—on patient care.”

Tim McKeough
Chief Operating Officer



The demands of complex radiation therapy delivery require practices to implement applications with fail-safe coding and billing functionality.

that will be billed on the first day of treatment, but for all expected treatments delivered during the 20 to 40 day course of treatment.

NextGen® EPM also enables physicians to enter claims as they deliver service to patients, eliminating the need for an extra staff member to perform this function. Additionally, the system prepares claims to go directly to payers instead of being diverted to a claims clearinghouse, offering the practice even greater savings.

AOS uses the NextGen® EPM's contract management functions to determine if they are, in fact, making or losing money. This function tracks reimbursements against specific payer contracts and produces reports showing exactly how much money comes in on those contracts. Thus, the practice knows exactly how well each contract is performing. With this information in hand, it can negotiate for increased per-member, per-month payments.

Impressive Results

Just eight months after installing the system, AOS could already point to many quantifiable benefits, including:

- ▶ Increased production by 15 percent due to improved workflow

- ▶ Increased revenue by 22 percent via more efficient and accurate billing
- ▶ Decreased accounts receivable time from 77 days to just 33 days, a 57 percent reduction
- ▶ Cut bill preparation time in half
- ▶ Reduced billing errors by 33 percent

Arizona Oncology Services has also witnessed qualitative improvements. For example, the practice now bills services the same day and overall denials have significantly decreased.

Because the system is so easy to use, AOS has been able to create custom applications, writing a program that pulls an individual patient's insurance and contract information, and then couples it with coding information to come up with an estimate of the patient's out-of-pocket costs. This is shared with patients at the onset of therapy so they have an idea of expenses they will incur.

Since implementing NextGen® EPM, AOS has added two hospital clinics, five doctors and multiple new radiation treatment programs—all without hiring significant amounts of additional staff. They believe future growth and success, along with strong revenue, will be inextricably linked with their strategic and creative use of NextGen® EPM.

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