

Increasing Medical Practice Profits

Medical costs have skyrocketed over the last several years. Since 1960, healthcare spending in the United States increased as follows according to HealthCare Facts (<http://www.justfacts.com/healthcare.asp>):

- from a yearly average of \$147 per person to \$8,085 (55 fold increase).
- from 5.2% of the nation's gross domestic product (GDP) to 17.68% (3.4 fold increase).

Pacific Crest Group (PCG) continues to work with many medical professionals to help them increase their profits despite spiraling costs using the following three main strategies:

The first strategy is called Data Mining. This strategy involves analyzing the medical diagnoses in your practice. Patients are categorized based on their needs. They can be grouped as “New Patients,” “Established Patients,” “Acute Patients” and “Preventative Care Patients.” Each patient sector requires different procedures. Making sure required procedures are communicated to the patient well in advance increases patient satisfaction and profits.

The second strategy is known as “Schedule Management.” Every unfilled appointment results in a loss of income. Patients with chronic conditions such as high blood pressure, diabetes and heart disease are scheduled for multiple visits over a defined period of time right away. This reduces administrative costs because future visits are scheduled in a single visit and revenue from patient visits are planned for in advance. Patient visits can be scheduled using “Fixed Interval” or “Seasonal” scheduling. Train your office staff to schedule appointments proactively for preventative care purposes. There is a big difference between saying “call us if you are not feeling better” and “see you in five days.”

The third strategy involves “Prescription Refill Procedures.” Policies are drafted to maximize efficiency and therefore profits. For example, filling prescriptions when patients are in the office or hospital is always more profitable than over the phone because of the additional administrative time, follow-up and provider review required for over –the-phone refills.

The strategies above are designed to increase productivity, patient care and patient satisfaction resulting in optimizing profits due to improved operating efficiencies. A great example of this is when PCG helped an Oncology clinic significantly increase its profits by establishing an in-house pharmacy (See “Helping a Bay Area Oncology Clinic Recover its Profits). [<http://www.pcg-services.com/helping-bay-area-oncology-clinic-recover-profits>] Additional revenue has also been received from health care providers for exceeding their “quality indicator” requirements.

Pacific Crest Group provides professional services that keep your business focused on your critical objectives. They create custom made systems based on creative strategies that are always delivered with exemplary customer service. A PCG professional is happy to meet with you to discuss solutions for your unique requirements to maximize all of your business opportunities.