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Finding and Keeping “the Right Staff”

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What is the impact of having the right staff for a medical office or group practice? Consider this:

- Front and back office staffs have a critical impact on the revenues of the practice. A \$15 co-payment not collected at the initial office visit will cost \$8 to collect on the back end. Claims that are improperly coded or improperly submitted will decrease revenue or cause the claim to be denied, decreasing the likelihood that it will be collected at all.
- The cost of that office worker is more than you realize. An employee paid \$15 an hour, for example, may actually cost you \$24.45 once all the costs of benefits and taxes are included.
- While the nursing shortage may be getting more attention, there is also a shortage in trained, skilled individuals with these critical front and back office capabilities. Multiple insurance plans, HIPAA regulations, and patients' expectations for good customer service have raised made it all the more important to find and keep a qualified staff. Finding these people takes time and resources; making a mistake is costly. Replacing an employee can cost at least 150 percent of the employee's annual salary.

Today, it is more important than ever that a group practice expect and get a return on investment from their staff. . Appropriately selected and well-trained staff can increase revenue, increase the

cost-effectiveness of the office, and provide the customer service that your patients expect and deserve.

In order to reap these benefits, however, medical groups must instill their organization's financial and business objectives in employees. This alignment can be approached through a three-pronged strategy that includes recruiting the right people, training employees on policies and procedures, and retaining these skilled workers. Only by investing in staff and implementing a well-defined approach can medical groups facilitate continual growth and expansion of their businesses.

Valley Healthcare Partners

Recruiting

Mary Ann Brophy is the chief operating officer of Valley Healthcare Partners in Sherman Oaks, California. Her management services organization runs 15 group practices in the Los Angeles area. She is very familiar with recruitment issues. Qualified and experienced med-support and administrative employees are also becoming increasingly difficult to find and retain.

“First we look internally to fill the position. Then we look at previous applicants who qualify. Lastly we advertise or go through outside agencies. Using specialized recruiting and staffing firms to fill positions quickly may also be a solution. Sometimes you get lucky from an ad, but for the most part, by the time you've looked at all the resumes and found out that no one qualifies, it would have been simpler to have gone through an agency,” stated Ms. Brophy.

She has also seen an upsurge in labor costs due to higher hourly wages, the increase cost in benefits and the need to pay recruitment fees. “We try to maximize our labor costs and get a return on our investment by recruiting experienced staff that deserve higher wages. We also offer better benefits. All employees must have three to five years of experience in the field and pass background and reference checks. Our recruiting efforts pay off in the form of job stability for the employee,” Ms. Brophy added.

Medical groups must not overlook these staffing in the med-support and administrative areas, as these professionals contribute significantly to the financial performance and efficient operation of these organizations.

“Our med-support and front office staff are the ‘face’ of our practice. We have to recruit the right people. They are the lasting impression. If they are inconsistent in their knowledge of financial policies, it directly impacts our profitability. The back office folks are equally as important. Coders, billers, and collectors need to have a highly communicative relationship with the physicians and be up to date on all LMRPs,” Ms. Brophy stated.

Training

Complex operational issues have created a significant need for experienced front-office staff, particularly with the increased burdens imposed by government regulations such as HIPAA, as well as changing reimbursement and documentation requirements.

Front-office operations are vital to a group's financial performance. As a result, each process must be thoroughly handled with a mind to detail, including obtaining accurate patient information, verifying patient insurance, maximizing physician schedules, properly managing the authorization of referrals, efficiently handling prescription refills, and coordinating physician credentialing.

“It is critical to the success of any organization to have clearly defined roles and responsibilities. Our employees are trained and understand the expectations of their job and their performance. In addition to job training, we ensure our employees understand regulatory issues such as HIPAA and OSHA and they are mentored by a coworker in their area,” Ms. Brophy explained.

Although every group's revenue management process is unique, claims and bills must be accurately prepared and effectively collected to maximize a group's reimbursements. Properly trained staff, including coders, billers, and collectors, can contribute significantly to this endeavor. The best advice for all groups is to have staff members who are proactive in these areas.

Retaining

Once skilled workers are hired and trained, the next step is to keep them happy. Replacing an employee is far more expensive than giving someone a raise or extra time off. Due to continued growth trends, keeping talented healthcare staff is a challenge that affects every organization.

Replacing an employee can cost at least 150 percent of the employee's annual salary. That means it can cost an organization at least \$75,000 to replace a \$50,000-a-year employee. Costs would include recruiting, hiring and training, not to mention lost productivity during the first six months of employment and the use of temporary employees during transitions.

If an organization has a high turnover, quality of care and patient satisfaction can also be affected. In order to attract and retain quality talent, organizations must be viewed as the "best place to work," based on factors such as:

- Compensation and benefits
- Balanced work-life schedules
- True partnership with employers
- Training and professional growth
- Meaningful contributions to the workplace
- Opportunities to socialize and enjoy a sense of community at work

If medical groups do not meet these expectations, retention can plummet, along with productivity and revenue. If significant turnover exists, it's necessary for an organization to recognize where they are performing poorly, reasons why employees are leaving, and incentives offered by competitors.

Ms. Brophy feels that good recruiting and training are the key to employee retention. "Poor recruitment and lack of training are the number one cause of unprofitability. Happy employees understand their duties, are properly compensated, and are recognized for their achievements."

The talent is the key to group practice success

Obviously, long-term employees gain considerable experience in patient care and practice operations. The longer employees remain with an organization, the greater the potential benefits to patients and physicians. Long-term staff can help to define well-managed processes and operations that contribute to business success.

Any retention strategy must begin with effective recruitment, and cannot be based solely on compensation. Instead, medical groups must provide training, growth and opportunities for employees to make a contribution and feel like valued members of the team. In the end, people enter the healthcare field because they care about people. They want to make a difference and know their skills and contributions benefit the organization and patients.

Today, many practices are partnering with healthcare talent management firms that specialize in the recruitment of med-administration and med-support candidates. These firms are well-networked, not only with medical groups but also with a large database of experienced healthcare professionals. As a result, they can fill positions in as little as one to three days with candidates who have the right background and skills. At the same time, they can offer candidates who may have hit the glass ceiling at one organization, a better opportunity at a different group.

With today's hidden healthcare shortage, a smart group practice needs a strategy to continued success. Recruiting, training, and retaining the proper staff is the only way to maintain and grow business.

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