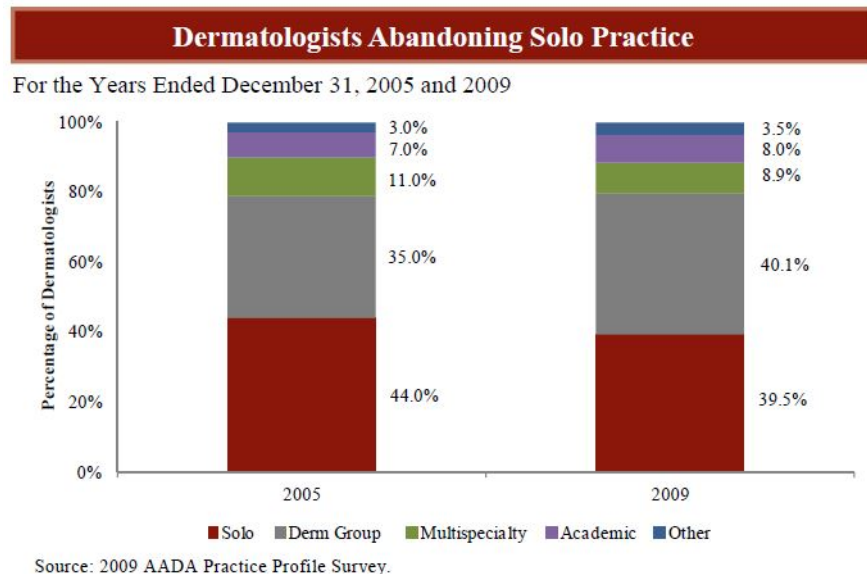




# Pivot to Proactive: the power of true partnership

## the lay of the land today

Physicians are continually facing new challenges to deliver quality and specialized patient care in an ever-changing healthcare environment. CMS and PPACA regulations steer patients away from specialists in favor of primary care physicians and create uncertainty surrounding future reimbursement rates. New data-driven payment schemes (MACRA) will demand that Physicians report metrics which may strain capabilities and require significant manpower to achieve. Payors and hospitals continue to consolidate and increase their leverage over Physicians. Rising costs continue to negatively impact practice profitability. Physicians entering private practice today show less interest in practice ownership and consolidation is occurring at all levels of healthcare. Physicians find themselves shifting to a reactive mindset – or decide to wrap up their practice altogether. In either case, the only way to win is to pivot to being proactive.



QualDerm's commitment to true partnership has brought like-minded Physicians together with healthcare leaders to leverage their industry best practices to reduce regulatory risk, ensure coding and billing compliance, expand patient services and access to care, execute practice growth opportunities and reduce expenses – demonstrating the power of true partnership in less than two years.

## reducing risk

- Improved access and flow of clinical information through all-in-one EMR, Practice Management, and Revenue Cycle Management (RCM) system.
- Implemented periodic chart audits and trained Physicians, mid-level providers, and RCM staff to ensure all submissions utilize proper coding and value-based modifiers and are compliant with CMS requirements.
- Centralized control of Diagnosis and CPT codes and customized templates to assist Physicians and mid-level providers in documenting patient records, resulting in greater accuracy and maximization of revenue.
- Created a larger participating provider base to protect against exclusion from commercial carrier provider networks.
- Upgraded systems and implemented security protocols, device and data encryption, regular perimeter penetration testing, critical security patching and disaster recovery plan, including nightly offsite data back-ups.
- Implemented controls and monitoring to ensure data security industry standards are met to safeguard patient bankcard transactions.
- Implemented a HIPAA Compliance Plan including user role-based security and regular security audits to secure PHI and guard against the potentially costly fines associated with a breach.
- Implemented a Compliance Plan and Code of Conduct with Compliance Officer oversight and hotline reporting capabilities.
- Conducted OSHA, clinical compliance, safety and emergency response training and successfully passed onsite OSHA mock-audit inspections.
- Implemented a proprietary program for specialized Dermatology training of mid-level providers, along with dedicated clinical resources and technology-enabled solutions to assist Physicians with oversight.
- Automated EMR reporting to meet Cancer Registry reporting requirements.
- Successfully navigated AAAHC and CLIA accreditation processes.

**“The expertise QualDerm Partners brings to our practice is both refreshing and comforting. This partnership allows us to take on new challenges in an ever-changing healthcare environment while giving us the freedom to spend more time with patients and enjoy life outside the office.”**

**— Barry Leshin, MD, FAAD, FACMS  
Founder, The Skin Surgery Center  
Clinics in NC and VA**

## reimbursement rates

- Renegotiated commercial payor reimbursement rates leveraging larger participating provider base, resulting in increased reimbursement rates in excess of 3%.
- Maximized CMS reimbursement rates by meeting all Meaningful Use and Physician Quality Reporting System (PQRS) metrics.
- Poised to meet CMS's upcoming Merit-based Incentive Payment System (MIPS) and Alternative Payment Model (APM) reporting requirements.
- Enrolled in an Accountable Care Organization (ACO) and adopted clinical initiatives to enhance the quality, service, and cost-effectiveness of patient care, resulting in improved commercial contracted reimbursement rates.

## expanding patient services

- Executed clinic expansion into new markets while leveraging mid-level providers and increasing patient access to specialized care.
- Upgraded lab systems, automated the intake of patient data tied to samples and implemented electronic reporting of results which streamlined workflow, eliminated duplication of efforts and reduced turnaround time.
- Expanded the access and use of aesthetic laser equipment and cosmetic services provided by mid-level providers.
- Increased patient access to Clinical Trial participation.
- Produced patient educational materials and collateral and deployed in-office media to further enhance the patient experience.

*"Imagine the power of top-tier practices and their physician thought leaders coming together under one company umbrella with highly-experienced management and a partnership framework designed to benefit both."*

**John Albertini, MD, FAAD, FACMS**  
The Skin Surgery Center  
Immediate Past President, ACMS

## growth opportunities

- Executed opportunities which resulted in more than doubling revenue in less than two years through a disciplined and multi-faceted approach to growth.
- Consolidated operations in existing markets, resulting in increased referrals, patient volume and more than doubled lab volume while retaining legacy staff.
- Added top-trained Mohs surgeons in existing and growing offices, capturing additional market share and expanding patient access to quality care.
- Increased practice utilization of mid-level providers 4x and improved patient access to general dermatology services, resulting in increased referrals for specialized treatment and surgical follow up.
- Initiated a comprehensive marketing plan including redesigned practice website, social media, print advertising, direct mail, community outreach and banner advertising to raise market awareness and increase patient volume.
- Transitioned practices owned by retiring Physicians by recruiting new Physicians and Physician Assistants while retaining legacy clinical and support staff, increasing patient volume, and converting paper patient records to EMR.

**“We appreciate all QualDerm has done to facilitate this transition! We are very pleased that you agreed to take over and invest the effort to continue the goal of providing quality Dermatology to our community.”**

**— Retiring Dermatologist  
29 years in private practice**

## operating efficiencies

- Upgraded IT systems with enterprise class equipment, infrastructure and peripherals, resulting in improved functionality, connectivity and reliability.
- Upgraded telephone systems, infrastructure and technology, resulting in overall cost savings, improved call routing and increased patient satisfaction.
- Insourced helpdesk for first-level IT support, resulting in greater responsiveness and resolution of issues.
- Standardized IT systems and processes, resulting in improved user access of EMR, FileShares and email.

- Developed proprietary Key Performance Indicator (KPI) dashboard that provides Physicians and mid-level providers with personalized weekly reporting of gross charges, collections, new patient referrals, total patient visits and 12-month trend analysis.

## reducing practice costs

- Negotiated a premiere employee benefits package, resulting in a 17% annual cost reduction in the face of a 15% increase, while enhancing benefit options and implementing a seamless onboarding and enrollment platform.
- Restructured group medical malpractice coverage and enrolled Physician and mid-level provider policies with industry-leading carrier, resulting in a 42% annual cost reduction.
- Negotiated a Group Purchasing Organization (GPO) membership, resulting in a 10% projected annual cost reduction while maintaining access to Physician-preferred supplies and materials.
- Renegotiated technology agreements with legacy vendors to adopt enterprise terms, resulting in cost reductions while increasing reporting capabilities and insourcing first-level helpdesk support.
- Improved the percentage of payments received via Electronic Funds Transfer (EFT) by 10%, resulting in reduced time to collections and administrative efforts required to accomplish billing and timely payment posting.

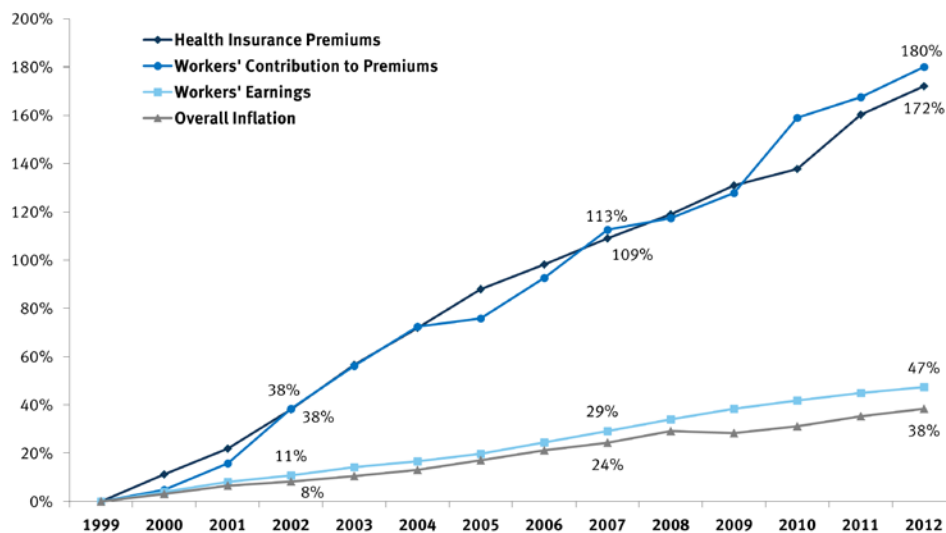
*"Having managed the clinical operations of The Skin Surgery Center for the past 13 years, I can attest that our seamless partnership with QualDerm has provided us with invaluable assistance, resources and support which have allowed us to grow while continuing to provide exceptional patient care."*

**Missy Wiggins, RN**  
The Skin Surgery Center

## takeaway

Managing a medical practice today imposes a significant burden on Physician owners, oftentimes sidelining opportunities for growth of the practice and limiting proper strategic planning necessary to protect the longer term value of the practice. While rules and regulations are arguably burdensome, predictions are that these requirements will only increase over time. As more of the risk of the healthcare dollar shifts to consumers (up 256% since 2004; Kaiser Family Foundation), it may compound downward pressure on reimbursement rates. Physician practices will feel the pressure of this risk transfer. Given this changing landscape, it is imperative for Physicians to adopt a more strategic, intentional and proactive approach to practice management.

### Cumulative Increases in Health Insurance Premiums, Workers' Contributions to Premiums, Inflation, and Workers' Earnings, 1999-2012



SOURCE: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 1999-2012. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 1999-2012; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 1999-2012 (April to April).



One such strategy to protect and grow a practice is to join a larger network of high quality Physicians. Strong management with a history of understanding and working with specialty practices in a complex healthcare environment will become

a necessity in the future. Physicians and practices that prepared to transform these challenges into opportunities will be positioned for success in the coming years.

Partnership with QualDerm affords:

- True Fair Market Value for the practice you have built
- Strategic leadership and management to empower the practice to be the leading provider in a much larger geography
- Diversification of practice income and value creation through a “True Partnership” model offered only by QualDerm
- Ability to remove hassles, increase patient access and open the potential to extend your future in the practice of medicine – Make it about the patient again!



## about us

At QualDerm, we know patient care is your top priority. We also know that managing a patient-centric, efficient, effective and profitable practice demands extensive resources to operate successfully in an ever-changing healthcare environment.

We are a premier Dermatology Services Organization providing quality management services and growth resources to progressive Dermatology practices and skin care professionals, serving as a trusted partner.

Our leadership team is focused on our primary goal – helping you build, grow and improve your practice to maximize your potential.

QualDerm Partners

ph: 615.250.6723

[qualderm.com](http://qualderm.com)



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