I am the co-owner of Alta Medical Management.
12 years of sales and marketing experience for a Fortune 500 company.
I helped run the marketing department for a $380M division of a nearly $1B company

We are a physician billing firm in Salt Lake City, UT founded in 2006.
Clients in 15 states. Variety of disciplines – excellent experience in retina/ophthalmology

Small, self-managing teams around specialty.

Approach the business from a lean manufacturing perspective.

Higher Reimbursement
Faster Payment
Increase in Patient Satisfaction

This is taken from an article I wrote for the January Issue of Administrative Eyecare
Financial Interest

- I have a financial interest in Alta Medical Management
TRADITION

Just Because You’ve Always Done It That Way

Doesn’t Mean It’s Not Incredibly Stupid.

Taken from despair.com
Today we are going to focus on People and Processes.

“There are no bad people – only bad processes.”

If you get the wrong person in your organization, it is your hiring process that broke down.
How many have read Good to Great?

Read it now.

The longer I run this business, the longer I know this quote is true. Your organization – any organization is only as good as its people.

Continually look out for the best talent available.

Who is familiar with Jack Welch’s simple HR axiom at GE? Turn over the bottom 10% of the performers each year. While Jack’s business practices have recently come into question, his 10% axiom has always struck me as a bit harsh but interesting.

We have found that as expectations become more clear and difficult to meet, much of that 10% self-selects out of the organization.
Six Lessons

- It takes a village (to interview candidates)
- It takes a team (the team rules all)
- It takes communication (the team huddle)
- It takes discipline (documenting processes and procedures)
- It takes focus (continuous improvement)
- It takes verification (audits, audits, audits)
We have started using a standardized list of questions to see if we can better predict success based on answers.

We have started having candidates read two actual EOB’s. We ask why the first EOB denied and what portion is patient responsibility.

We all huddle for about 15 minutes directly after the interview (so everything is fresh) to discuss strengths, weakness, red flags.

The team doesn’t get a final yes, but they get a final no.

If they have strong feelings, validated by interview facts, that they cannot work with the candidate, the candidate is not hired for that team.

Considering creating a hiring team that does all interviews rather than rotating through team leads to try and get a better depth of experience.

Involving the teams is a tremendous pain—especially giving them an ultimate “no” – why would I do this?
- More eyes on a candidate. It is amazing (and horrifying) what candidates will tell their peers in an interview.
- Team buy-in and dedication to new hire
It Takes a Team

The team rules all

- Working collaboratively is not negotiable
- I spend ¾ of my time discussing teamwork and setting expectations
- Don’t hire a candidate who meets all criteria but clearly doesn’t play nicely with others
- Remember the frog and the scorpion

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I truly believe my interview time is best spent making sure candidates understand our culture and our expectations. I have had several candidates call after an interview and say this is probably not a great fit for them. I love and hate those calls.

Don’t hire somebody and think you will change their ability work well in a team environment and play nicely with others.

Frog and the Scorpion
Is anybody familiar with OC Tanner in Salt Lake City, UT? They are a corporate recognition company. They provided the medals for the 2002 Olympics. OC Tanner is our mentor company.

When Mike Collins, a Lean Process guru took over the production side of OC Tanner:

- **A new order traveled over three miles** in the company before it hit the manufacturing floor
- A new order traveled **another 1.75 miles once on the floor**
- **There was a 40% return rate** on custom items
- The **turnaround was 3 weeks** from order to shipping on custom items

In the years since Mike took that position at OC Tanner:

- **Order travels 20 feet prior to manufacturing**
- Manufacturing travels in a horse-shoe design **about 14 feet** from start to finish
- The **return rate has been reduced to .05%**.
- The **turnaround times are: 6-8 hours manufacturing time and 2-3 day total turnaround** on custom items.
- **All new ideas came from the employees on the floor**
- **One of the BEST things we have copied is the daily, team huddle.**

Team Huddles are used to:

- Review Metrics – where we have been, where we are, where we are going. WHAT YOU MEASURE IS WHAT YOU GET.
- Disseminate information
- Continually train
- Spread work
- Set culture
- 15 minutes every day

Let them set their agenda – certain metrics must be tracked – but much of what they do is up to them.

Let them determine what to track and discuss – you can review and approve.

It can and should change as the needs of the team and organization change.

Our team huddles are different for each team. You should be present for some, but not all. You change the dynamic.

Many include: Stretches Metrics of the preceding day – what was done and left undone, Hot Topic – team building Education, Quote of the day Who can give and who needs help

Huddle has allowed them to build and perfect the team. Set culture, measure metrics and move forward. Owners huddle with team leads every day to look at company/team metrics.

**DISCUSSION / QUESTIONS? THIS CAN BE HARD TO WRAP YOUR MIND AROUND WITHOUT SEEING THEM.**
It Takes Discipline

Documentation is crucial to maintain quality

• Every organization must take time to document processes and procedures
  – Documentation forces rigor
  – Documentation drives consistency
  – Documentation enables knowledge sharing
  – Documentation eases transitions

I have to admit it seemed crazy to document our processes and procedures when we had two employees and 1 client. But as we grew, I understood the method to the madness. We didn’t experience the quality dip that many billing organizations experience during periods of high growth because we had carefully documented how we did most every task.
Talk about automotive manufacturing –

Talk about NUMMI (New United Motors Manufacturing Inc) plant – it isn’t the layout of the plant, it is the culture – this is why the Japanese manufacturers were never afraid to let the US walk through their plants.

The plant was formerly a GM plant for 20 years ranking among one of its worst in terms of quality, productivity, absenteeism and worker safety. In the 1970’s and 1980’s for GM – this was really saying something.

Re-opened 2 years later as a JV between Toyota and GM. The plant employed largely the same employees it had previously – but the plan instituted TPS (Toyota Production System). Under this system, the plan produced higher quality cars, at a lower cost, for a time. But GM slowly reverted back to their ways of doing things and ultimately the plant was closed.

There is a lot of reading material on this as well as a fascinating This American Life if you google NUMMI Automotive Plan from July of 2015. It shows that it often is the process and not the people.
We have the luxury of having programmers and really smart people continually coming up with new audits based on issues we come across but largely from ideas from the billing teams. They are expected to provide continual feedback on issues they see and how to prevent them.

Our audits focus largely on exception reporting. We don’t want to see any information on the 10,000 claims that processed correctly, we want to flag the 10 claims with potential issues. Our exception reporting focus on things like:

- 100% payment
- 100% adjustment on any line item
- Patients with no statements in the last 30 days.
- Any time a drug is fully paid less than the cost of the drug to the clinic
- Every bundled code must note the CPT it was bundled to
- PQRS adjustments must always be $.01
This is a journey – I am fond of saying. It won’t happen overnight.

Summary

• If you do what you always did, you will get what you always got.
If you have questions about today’s presentation or questions about your practice, please contact us.

- We have worked with many practices to help them achieve their practice goals
- You can call us for a complimentary practice analysis in which we examine your practice for areas for improvement