The New Healthcare Managed Service Organization: Just What the Doctor Ordered

Presented by

James D. Swift, M.D.
Chief Development Officer, MEDNAX

Ann Barnes
President and CEO, MedData
Agenda

1. What is a Healthcare MSO?
2. Why are MSOs Important to Hospitals?
3. Services breakdown of MSOs
4. How MSOs Benefit Hospitals
What is a Healthcare MSO?
What are Healthcare MSOs?

A healthcare MSO is an organization that provides non-clinical services to providers to enhance revenues, contain costs and improve quality.

**WHO THEY IMPACT**

- **Practices** - receive significant administrative assistance.
- **Physicians** - maintain increased level of autonomy.
- **Patients** - experience improved service engagements, economies of scale / cost savings
Why are MSOs Important to Hospitals?
Market Dynamics

**Provider Challenges**

- Healthcare reform creating Complex Reimbursement Challenges
- Healthcare payment process Structured Around Insurance Providers
- Poor collections of patient balances: 19% vs. 75%

**RCM/Patient Trends**

- Healthcare reform creating Outsourcing
- Increases in patient responsibility: 3% → 35% → 50%
- Increased Medicaid driving need for Onsite Enrollment & Eligibility Services

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What Hospital Leaders and Physicians Want

**Preserve** clinical autonomy

**Create** a practice that is efficient, high quality, and patient–centric.

Patients to remain loyal to the health system (increasing stickiness).

**Solutions** to their practice coordination and complexity challenges.

To mitigate compliance risk.

**Vehicles to strengthen** hospital-physician alignment.

To offset complex reimbursement challenges of Healthcare reform.
Building Partnership: External Forces at Work

**PROBLEMS FACED BY HOSPITALS & PHYSICIANS**

- Increasing financial pressures to manage challenging market conditions
- Healthcare consumerism and the importance of patient experience
- Healthcare reform legislation
- Exponential growth of RAC firms
- Growing number of payor plan designs
- Greater coding complexity
- Lower reimbursement rates
- C-suite seeking to consolidate vendors

**SOLUTIONS WANTED BY HOSPITALS & PHYSICIANS**

- To preserve clinical autonomy and help create a practice that is efficient, high quality, and patient-focused.
- Solutions to their practice coordination and complexity challenges.
- Vehicles to strengthen hospital-physician alignment.
- Vendor consolidation
MSO: Services Breakdown
MSO Services Breakdown

PRACTICE ADMINISTRATION
- HR
- Facilities
- IT
- Payroll/Finance
- Scheduling
- Clinical Effectiveness
- Physician Referral Management

PATIENT ACCESS & COMMUNICATION
- Registration
- Pre-Authorization
- Financial Counseling
- Point of Service Collections
- Patient Communication

REVENUE CYCLE MANAGEMENT
- Coding & Clinical Documentation
- Compliance Audit & Training
- Charge Capture & Reconciliation
- Billing / AR Follow-Up
- Credentialing / Provider Enrollment
- Payor Contracting
- Compliance

ANALYTICS & CONSULTING
- Practice Growth
- Patient Engagement
- Benchmarking
- Clinical Effectiveness
- Population Health Analytics
- Labor Productivity
- Physician Compensation Design

QUALITY

PATIENT SATISFACTION

REVENUE

COST

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How MSOs Benefit Hospitals
How MSOs Benefit Hospitals

- **QUALITY**: Optimize revenue capture, procedure mix and promotion capabilities.
- **PATIENT SATISFACTION**: Provide improved expertise.
- **REVENUE**: Help achieve better results at lower costs.
- **COST**: