



Providing a hands-on approach to solving the challenges of today's healthcare delivery system.

MedicalGPS' Services & Solutions

Years of Field-testing Leads to Positive Results

MedicalGPS, LLC Services & Solutions are the direct result of several years of field-testing and development.

Since 1994, MedicalGPS' Co-founders, Marty Hudson and Jerry Stone have developed and deployed programs to large multi-specialty healthcare organizations, as well as medium to small single specialty clinics across the nation.

More than 55 clinics have implemented some, or in many cases all of these programs designed to improve clinic operations.

The lessons learned and overall knowledge obtained by the deployment of these programs and systems into real-world clinic environments has led to the ultimate refinement of MedicalGPS' Services & Solutions.

Today, Medical GPS'



Photograph by Karen Hickey

MedicalGPS, LLC Co-founders Marty Hudson and Jerry Stone

takes the best of what worked and delivers positive results for our clients.

Activity-based Staffing: Providing Excellent Service at Optimal Efficiency

By Jerry L. Stone

Many medical groups have relied on traditional staffing methods for years when determining non-provider staffing levels. While support-staffing methodologies vary from medical group to medical group, it is not uncommon to see support staffing levels determined by using provider to support-staff ratios, i.e., one medical assistant or nurse per provider — a 1:1 staffing ratio. Occasionally, medical groups will acknowledge busy practices and assign additional support-staff, however, it has been

our experience that few medical groups assign support-staff based on the unique needs of the patient or the actual activity associated with patient visit/procedure.

“...solely relying on FTE to Provider ratios, as a staffing methodology...

often produces poor service quality ...”

One common staffing method we see from time to time involves the an-

nual budgeting process. During the annual budget build, FTE to Provider ratios are established for each medical specialty. For each cost center, the number of budgeted FTEs is calculated by applying the specialty-unique FTE to Provider ratios to the number of providers practicing within that cost center. Throughout the year, as the number of providers fluctuate up or down, FTE ratios are applied to determine the number of FTEs “needed” to support any given cost center.

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MedicalGPS Product Offerings:

Patient Flow Solution

*Telephone Process
Activity-based Staffing
Appointment Scheduling
Medical Records Workflow
Referral / Authorizations*

Interim Management

*Chief Executive Officer
Chief Financial Officer
Chief Operations Officer
Business Office Manager*

Revenue Cycle Improvement

Business Office Operations

*Financial Reporting
Proforma Analysis
Budgeting*

Support-Staff Utilization

Provider Coding Profiles

Provider Productivity

Provider Compensation

Provider Income Distribution

Workflow Efficiency

Patient Satisfaction

MedicalGPS Delivers...

**Experience
Integrity
Results**

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Activity-based Staffing

More times than not, medical groups defend the staffing-ratio-approach as being reasonable, fair and equitable. Reasonable because staffing ratios vary by medical specialty and usually compare favorably with other medical groups of their size and type, and fair and equitable because the static FTE to provider ratio is strictly applied from provider to provider within a given medical specialty.

Unfortunately, solely relying on FTE to Provider ratios, as a staffing

methodology, often produces poor service quality for patients. Even attempting to adjust staffing levels based on intuition can be equally damaging. To further complicate matters, mix in a hearty dose of adjusting underperforming support staff, a poorly designed facility, or worse yet, political favors, and before you know it, the “method” is now madness.

So, what is the alternative to using FTE to Provider staffing ratios


as a means for determining staffing levels? Activity-based Staffing. The ongoing use of an activity-based staffing model, customized for each POD of providers, allows front-line supervisors the ability to meet the dynamic staffing demands placed on their departments and cost centers, keeping support staff productivity at acceptable levels while maintaining or exceeding service quality levels. Tailored to capture each POD’s unique operating characteristics such as time-of-day, day-of-week, and seasonal patient loads, visit intensity, procedure

mix, and other POD specific dynamics, utilizing an activity based staffing model takes the guess work out of determining appropriate support staffing levels.

MedicalGPS recommends using an experienced management / industrial engineer to help design a practical and operational staffing model.

To ensure the model is as real-world as possible, the unique patient flow patterns associated with each practice should be captured and incorporated into a particular POD’s unique staffing algorithm. In addition, providers and support staffs should work in collaboration with the management/ industrial engineer, guiding model development. As with most models, the output is only as good as the input. Even the best staffing model should always be used in the trained and capable hands of a knowledgeable front-line supervisor. The output should not be taken as THE answer, but used as another set of valuable information to improve the front-line supervisors’ decision-making capability. One of my favorite quotes regarding the subject is,

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User Interface

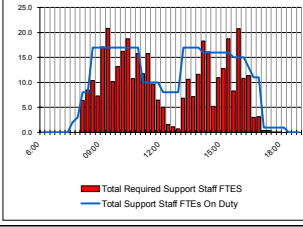
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MedicalGPS’ activity-based staffing model is interactive, providing front-line supervisors and managers the ability to accurately forecast support-staff needs, based on department unique, near real-time operating variables.

Actual visit volumes and other department unique activity determine the number and type of support staff required.

Practice assessments are calculated including FTE to provider ratios, actual to budgeted staffing levels and other vital statistics.

Example Clinic		Satellite Office		Staffing for: Friday	
Daily Volumes		Statistics & Performance		Actual	Budget
311	Incoming Telephone Calls	Provider FTEs	7.5	7.5	
118	Total Forecasted Patient Visits w/ Ancillaries	Physical Provider	8.0	8.0	
14	X-Ray	Support Staff FTEs	16.0	22.0	
20	LAB	Physical Support Staff	17.0	24.0	
18	Provider A	Support Staff FTEs per Provider FTEs	2.1	2.9	
	Provider B OFF	Patients per Provider FTE	9.5	26.3	
9	Provider C	Patients per Support Staff FTE	7.4	6.5	
	Provider D OFF	Hours of Support Staff Required	104.6	136.0	
9	Provider E	Hours of Support Staff Available	128.0	160.0	
4	Provider F	Support Staff Occupancy	82%	85%	
	Provider G OFF				
9	Provider H				
	Provider I OFF				
12	Provider J				
11	Provider K				
	Provider L OFF				
	Provider M OFF				
	Provider N OFF				
	Provider O OFF				
12	Provider P				
Support Staff FTE Peak Requirement					
A.M.	P.M.	Function			
0.7	0.5	Front Desk			
1.2	0.9	Phone Room - Reception			
0.2	0.2	Phone Room - Triage			
5.5	4.7	Clinical Assistants			
0.9	1.1	LAB Tech			
0.5	0.6	X-ray Tech			
1.5	1.3	Health Unit Coordinator			
2.4	2.2	Medical Records			
13.9	12.3	Total FTEs			



Summary Output

Measuring Financial Success: Financial Reporting

By Martin R. Hudson

(part 3 of a 5 part series)

As discussed in previous articles, your organization should have a strategic plan laid out and a budget established. The strategic plan outlines a plan for a course of action, ultimately to obtain a specific or set of specific objectives. Budgeting lays the detailed, step-by-step course in reaching the outlined objectives. The financial reporting package should provide a clear, concise means of measuring and communicating the financial success of an organization.

Many organizations make the mistake of trying to deliver too much detail with regard to financial reporting. I call this information overload; learn when to say when. Trying to deliver a voluminous amount of financial data in a meeting can hamper the ability of the participants to understand and make decisions based on the information. Deliv-

ering large financial packets to physicians, without explanation of the information they receive, ends up being a wasted effort and an unnecessary death of untold numbers of trees. There are two key elements in avoiding this situation.

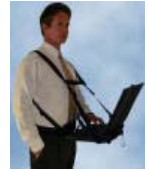
Know your information. Whoever is delivering the information, CFO, CEO, etc., make sure you know and understand not only what you are delivering, but also the details that support your information. Knowing the details builds confidence, not only in yourself, but also in the recipients of your message. Know the important factors that make up the financial material, key topics for discussion, and hot topics that need decisions. Always make comparisons to the organization's budget and goals established by the strategic plan. Be prepared to explain fluctua-

tions, both good and bad, and to discuss a plan of action to get back on track. Utilizing non-financial information in the financial packet will be useful in staying on track with the overall strategic plan. For example, reporting and trending staffing levels, or market penetration based on a strategic marketing plan. One thing to always remember, you can usually get at 80% of what is important and needs to be communicated with 20% of the available information. This is not to say you "hide" data, but present what is important to achieve the established goals and to make the decisions that need to be made.

Know your audience. Know to whom you are delivering information. If you are in a meeting, know the participants and the purpose of the meeting. Knowing your audience and the

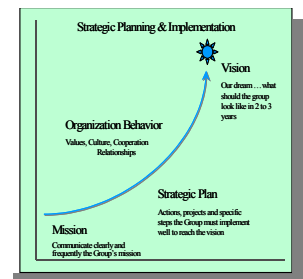
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"information overload; learn when to say when."



"Communicate; Do it clearly, do it often."

"The strategic plan outlines a plan for a course of action..."



... to obtain a specific or set of specific objectives."

COMING IN THE NEXT MEDICALGPS NEWSLETTER

GPSMapping ...delivering actionable information to the fingertips of decision makers...

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Measuring Financial Success

information they need to make decisions to obtain the goals established by the strategic plan and budget is imperative. If sending financial information to individuals, without the ability to meet with them face to face, make certain you are sending data that is relevant to the recipient, precise, concise, and manageable. Also, understand the best method of communicating with your audience; i.e., graphs vs. spreadsheets, or power point presentation

vs. handouts. An organization should be able to develop a top 10 list of items that are important to its financial success. What are the “hot” items in driving success in **your** organization? Days in accounts receivable? Physician RVUs? Referral patterns? Coding profiles? These financial and non-financial factors can be the key to your organizations success. Find champions that will focus on the areas they find important or interesting. This creates “ownership” in the financial success of the organization.

Next time we will discuss what is likely your organizations largest current asset and the key to turning the physicians’ hard work into cold, hard cash: Accounts Receivable Valuation and Management.

Remember, communication is a major key to success. Communicate; do it clearly, do it often. Do not waste an opportunity to communicate something important. Develop a reputation of good communication.

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Activity-based Staffing

"All models are wrong; some are useful."

- W. Edwards Deming.

First and foremost, build the model from the patient’s perspective. Remember, “if it’s good for the patient, it’s good for the business”.

Lastly, staff modeling provides for the front-line department manager the tools necessary to objectively evaluate staff vacancies, and effectively determine the need to fill or not to fill a particular job opening. Using predetermined productivity targets, agreed upon by both senior management as well as front-line managers/supervisors, the vacancy evaluation and approval process is clear and straight forward, allowing scarce management resources time to focus on operations instead of spending countless hours trying to justify open positions.

A Message About MedicalGPS, LLC

MedicalGPS, LLC was founded on certain uncompromising guiding principles.

We are committed to servicing our clients and their affiliates with the highest degree of —

*Integrity, Honesty,
Fairness, Faithfulness,
Reliability, and Dependability.*

Marty Hudson & Jerry Stone

Niagara Falls Photographed by Marty Hudson—April 2002

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