

Dermatology Coding Alert

Boost Productivity, Speed Payment With Practice Management Software

Avoid spending a bundle for the wrong system with this expert advice

Medical practice management (MPM) software can improve your office's efficiency and effectiveness, but only if you choose the right system. Assessing your office's needs before you shop and knowing which of three system options best fit your practice are keys to success, experts say.

Learn Some MPM Basics

The first question you're likely to ask yourself is: Why would my office want to pay the high costs for an MPM software system? Here's why.

MPM software incorporates the day-to-day operations of a medical practice, allowing staff to capture patient demographics, schedule appointments, maintain lists of insurance payers, perform billing tasks, follow up on accounts receivable, and generate reports.

Important: MPM often encompasses electronic health records (EHR) systems. While some information in an MPM system and an EHR system overlaps -- for example, patient and provider data -- you'll use the EHR system for assisting the practice with clinical matters, while you'll use the MPM system for administrative and financial matters.

Most MPM systems are designed for small to medium-size medical offices. However, some of the software is designed for third-party medical billing companies and large central billing offices (CBOs). Be sure you determine the type of system your office needs and then make sure you're not buying something that's too much or too little for your needs.

Don't Overlook 'Note' Feature

Before you go system shopping, look carefully at how your office functions. Document processes and look for places, such as accounts receivable, where you can improve efficiency and quality. Then, look for an MPM software program that follows the same processes but provides you with the added efficiencies you're looking for. Be realistic in the expectations and wants/needs your office has.

Ensure that the software system you select "can meet your operational and billing needs," says **Ron Sterling**, president of Sterling Solutions Ltd. in Silver Spring, Md., a company that specializes in helping physician practices select and implement technology such as MPM systems.

Best bet: "Ideally, you want to operate a 'paperless' billing system. Therefore, you will need places to store notes, insurance card images and other billing-related information and documents," Sterling says. "For example, you may need a place to store referral authorizations from payers."

Caution: Some programs may make your practice function inefficiently. One of the pitfalls a practice should look for when choosing a system is to not "overbuy," says **Ian S. Easton, PhD**, past president of the American College of Medical Practice Executives and current department head of applied technology for Coastal Georgia Community College in Brunswick, Georgia.

For instance, getting the biggest, most expensive system with all the bells and whistles may prove inefficient for your practice by making things more complicated and time-consuming by running reports and processes you don't even need.

Know How to Make Your Choice

You'll have three basic types of MPM system to choose from: desktop-only software, client-server software, or Internet-based software (ASP -- Application Service Provider software).

Option 1: If you plan to use the system on one computer or have only a small number of users who can share access, you should look at the desktop-only options.

Option 2: If you want to allow multiple users who can share the data and the workload, client-server software is a better option. This type of system usually requires you to purchase or lease server equipment to run server software on. Individual workstations have client software that accesses the server.

Option 3: Internet-based software is a relatively new option you may want to consider, since it decreases your need to run your own server and worry about maintenance, security and reliability. For many practices and even midsize billing companies that aren't big enough to support an IT department, an ASP is a good option because you don't need a dedicated IT department, says **Barbara J. Cobuzzi, MBA, CPC, CPC-H, CPC-P, CHCC**, president of CRN Healthcare Solutions, a coding and reimbursement consulting firm in Tinton Falls, N.J.

Drawback: Since the patient data does not remain strictly within your office, but is instead transmitted over the Internet, there may be some potential security risks involved.

Bottom line: The most important issue is to find the right product for the practice, Sterling says. If you determine that more than one system could work for your office, you'll then want to weigh the costs and the benefits of each type. "For example, an in-house system may save communication costs, but the Internet-based solution may offer a protected environment and backup systems that the practice may not be able to afford," Sterling says.

Stay tuned: Keep an eye out in the next issue of Medical Office Billing & Collections Alert for a listing of MPM software features to look for when you're researching systems.