

Clinical Practice Association
of the
Johns Hopkins University School of Medicine

New Faculty Orientation

October 10, 2006



JOHNS HOPKINS
M E D I C I N E

Johns Hopkins University School of Medicine Clinical Practice Association

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Clinical Practice Association Overview

Johns Hopkins University School of Medicine Clinical Practice Association (CPA)

- The CPA is the faculty group practice responsible for supporting the full-time faculty in their clinical activities and is an integral party of the SOM
- The mission “is to be an effective, integrated group practice that produces the best clinical outcomes and satisfaction for all patients, and supports education and research.”
- All full-time faculty providing clinical care (1,600 in 20 clinical departments) are automatically members of the practice, subject to its Bylaws.
- Five major sites of practice include Johns Hopkins Hospital, Bayview Medical Center, Johns Hopkins Outpatient Center and two large suburban satellite practices, Green Spring Station and at White Marsh; 64,000 admissions; 950,000 outpatient visits.

Continued

- Through the CPA \$488M in clinical and affiliated funding is generated to support approximately 44.5% of the medical school's budget including faculty compensation, practice overhead and new program development
- Over \$66 M in under-funded care is provided by the faculty to the region's medically indigent population
- Bylaws proscribe a well-defined governance and committee structure within a federated environment.

Powers of the Association

1. To develop, subject to the Dean's approval, a group practice of medicine.
2. To provide guidance to the Dean for the funding of the Association's activities.
3. To operate the clinical practices for the benefit of all departments and School of Medicine.
4. To recommend to the Dean, initiation of administrative services.

History

- Nine years into the current model
 - New bylaws in 1997
 - New governance and committee structure
 - New administrative structure
 - Eight years of operational and financial improvement and profitability
 - Integration of Bayview Physicians in January, 2002

Governance Structure

- Board of Governors
- Committees
 - Budget, Finance and Planning – Henry Brem, M.D.
 - Billing Compliance – Kenneth Wilczek
 - Managed Care Contracting – Douglas Jabs, M.D.
 - Practice Management – Lloyd Minor, M.D.
 - Government Affairs – Harold Fox, M.D.
 - Patient Safety/Risk Management – Frank Frassica, M.D.

CPA BOARD OF GOVERNORS

(In accordance with approved Bylaws, March 24, 1997)

Edward D. Miller, Jr., M.D.	Dean of the School of Medicine	Vote
William A. Baumgartner, M.D.	President of the Association (Vice Dean for Clinical Affairs)	Vote Vote
David Hellmann, M.D.	Vice Dean, Bayview Campus	Vote
Kenneth P. Wilczek	Executive Director	w/o Vote

ELECTED DIRECTOR/GOVERNORS:

Martin Abeloff, M.D.	Director, Department of Oncology	Vote
Ted DeWeese, M.D.	Director, Department of Radiation Oncology	Vote
Julie Freischlag, M.D.	Director, Department of Surgery	Vote
Jonathan Lewin, M.D.	Director, Department of Radiology	Vote
Peter McDonnell, M.D.	Director, Department of Ophthalmology	Vote
Lloyd Minor, M.D.	Director, Department of Otolaryngology	Vote

ELECTED NON-DIRECTOR/GOVERNORS:

Jessica Bienstock, M.D.	Department of GYN/OB	Vote
Paul Scheel, M.D.	Department of Medicine	Vote
Vacant		

BASIC SCIENCE DIRECTOR/GOVERNOR:

Philip Cole, M.D.	Department of Pharmacology	Vote
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INVITED GUESTS:

Clinical Department Directors	President, JHH	JHM General Counsel
CPA Committee Chairs	President, JHCP	
CPA Senior Directors	JHU General Counsel	



Administrative Services

- Executive administration
- Professional fee billing and collections
- Contracting
- Billing compliance
- Ambulatory operations and practice management
- Information technology
- Financial management
- Government affairs

Clinical Practice Association Contracting

Contracting

- Contracting Committee includes physician representatives from most clinical departments
- Focus on Third Party Commercial and Governmental Payer Contracts
- Recommends to Board of Governors (BOG), entering into/terminating participation in contracts
- Contracts held by group on behalf of CPA's individual providers and departments
- 40+ contracts (5 represent 42+% of revenue)
- JHM approach as “one voice” in the marketplace

Mix of Business Based on Charges

FY 1998 and 2006

Payer	FY 1998 % of Charges	FY 2006 % of Charges
Medicare	25.5%	26.9%
Medicaid	9.4	11.4
Blue Shield	17.6	11.7
Commercial	9.3	3.7
Managed Care	20.7	37.1
Self Pay	10.7	6.4
International	2.8	1.4
Other	4.0	1.4
Total	100.0%	100.0%

Contracting Principles

- Premium fee schedule (est. 30+% higher than community)
- No carve outs – ancillaries and services or specialties
- Limited terms (1-3 years)
- Annual inflation factor
- Equality in reimbursement across departments; recognizing market factors
- Delegated credentialing
- Ease of administering

Clinical Practice Association Professional Fee Billing

Professional Fee Billing

- Restructured centralized model in January 1998
- Hybrid Accounts Receivable model includes clinical department production units and Core Services
- Core Services maintains oversight for policies, procedures, standards, monitoring and compliance

Highlights

- All billing under the umbrella of the CPA
- Service Agreements define the relationship between CPA and each department
- Departments responsible for operations and costs of their specific production unit
- Production Unit Manager is accountable to department and CPA for compliance with CPA standards and policies
- Quarterly meetings between Core Services and department director; monthly meetings with PUMs
- Departmental input to policy development through PBS Advisory Committee

Department Production Unit

Responsibilities include:

- Charge Capture
- Charge Entry
- Paper Claims
- Insurance Payment Posting
- Insurance Follow up

Centralized Services

- Registration/Quality Assurance
- Electronic Claims processing
- Self-Pay Payment Posting
- Self-Pay Collections
- Patient Inquiry
- Training
- Bank Reconciliation
- Information Systems
- Reporting
- Electronic Remittances
- 3rd Party Reimbursement Liaisons
- Human Resources
- Performance Management

Key Statistics

	East Baltimore Only	EB and Bayview
	<u>FY 1998</u>	<u>FY 2006</u>
Charges	\$390.6M	\$845.0M
Collections	\$159.5M	\$310.4M
Collection rates:		
Gross	40.8%	36.7%
Net	82.4%	85.4%
Days in A/R	102	45
Bad debt	6.8%	6.0%
Employee Turnover	10.0%	3.4%
Billing Cost Ratio	9.4%	8.0%

Clinical Practice Association Billing Quality Assurance (Compliance)

What is Billing Quality Assurance?

- Understanding and following external and internal regulations, policies and requirements.
- Awareness — what are the rules?
- Accuracy — doing the right thing in the right way
- Accountability — individual & group responsibility

Goals

- Set the standard for billing compliance in academic medical practice
- Provide expert “consultants” to each Department
- Work in partnership with physicians to improve & sustain compliance

Scope of Activities

- Training
- Internal resources for coding and billing advice
- Documentation reviews
- Revenue opportunities
- Resolve operational issues
- Special projects
- Investigations
- Coordination with JHHS Compliance and various JHH and JHBMC Committees

Documentation Review Process

- Risk-based assessment and audit frequency
- 10 services selected from prior quarter's billing
- Scope of documentation reviews
 - Adequate support for code(s) billed
 - Most appropriate code(s) selected
 - Teaching Physician rules met
 - Mid-level Practitioner rules met
 - All services provided were billed (missed revenue)
 - Administrative vs. provider errors

Documentation Review Process

- Packet to the physician
- Cover letter
- Summary of audit findings
- Point system quantifies findings
- Auditor's work sheet and copy of the medical record note
- Individual and aggregate results go to Department Chair, Administrator and Compliance Liaisons

Clinical Practice Association Government Affairs

Government Affairs

- Government Affairs Committee
- Monitors state and federal legislation which may impact physician practice
- Formulates positions around key legislation
- Follows regulation development
- Educates membership on important issues and their meaning via e-mail, speakers panel, publications
- Seeks support from individual members, when appropriate

Clinical Practice Association Practice Management Support

Practice Management Support

- Practice Management Committee; every department is represented
- Provide tools, analyses, project management to clinical departments
- Supports use of technology, practice models, scheduling and access, resource utilization (staff, space, equipment), training, patient flow, and financial assessments
- Directly manage certain ambulatory sites, scheduling and registration
- Assists departments with patient satisfaction initiatives

Clinical Practice Association Goal

- The Clinical Practice Association is the Faculty's organization
- Through our administrative team and designated committees our goal is to:
 - Enhance clinical revenue
 - Negotiate beneficial contracts
 - Influence regulations on behalf of the faculty
 - Keep faculty out of jail
 - Overall, enhance clinical practice