

Practice Considerations in the Era of Managed Care

Laina Burdick, AuD

Field Training Audiologist

GN ReSound

Webinar FAQs

- **How to ask a question:**
 - Click Q&A, type your question and Send.
- **Where to get the handout:**
 - Resources in the classroom and under Pending Courses in your account
- **How to view captions:**
 - Click Live Transcript CC button
 - Click Show Subtitle
- **How to earn CEUs:**
 - After the webinar, go to your Pending Courses and pass the multiple-choice exam.
- **For assistance or tech support:**
 - Call 800-753-2160
 - customerservice@audiologyonline.com
 - Use the Q&A window

1

Risks/Benefits

- The applicability and accuracy of the course content may vary by the clinical, geographical, and cultural context; you should evaluate the course accordingly.
- As healthcare is rapidly evolving, new findings may change the validity of the information presented in this course. Providers should always consult the latest research and guidelines from professional associations.
- The interventions discussed in this course may be limited in generalizability, requiring practitioners to consider specific individual and population factors.
- The course may not cover all possible risk factors, diagnostic methods, or treatment options, and complex cases may require additional considerations.
- Healthcare providers should apply cultural competence and sensitivity to ensure effective and respectful care based on their patients' diverse needs.
- Providers should always evaluate the limitations of diagnostic and screening tools, considering their potential for false results as well as any ethical implications.
- It is the responsibility of course participants to critically evaluate the evidence from multiple sources to guide professional practice.

2

Learning Outcomes

- *After this course, participants will be able to use financial data to determine how to implement managed care into your practice*
- *After this course, participants will be able describe block scheduling and its benefits.*
- *After this course, participants will be able to determine which services are included in managed care contract and what can be billed separately.*

3

***For further information please contact:***

ReSound Customer Care at 1-800-248-4327

Additional resources:

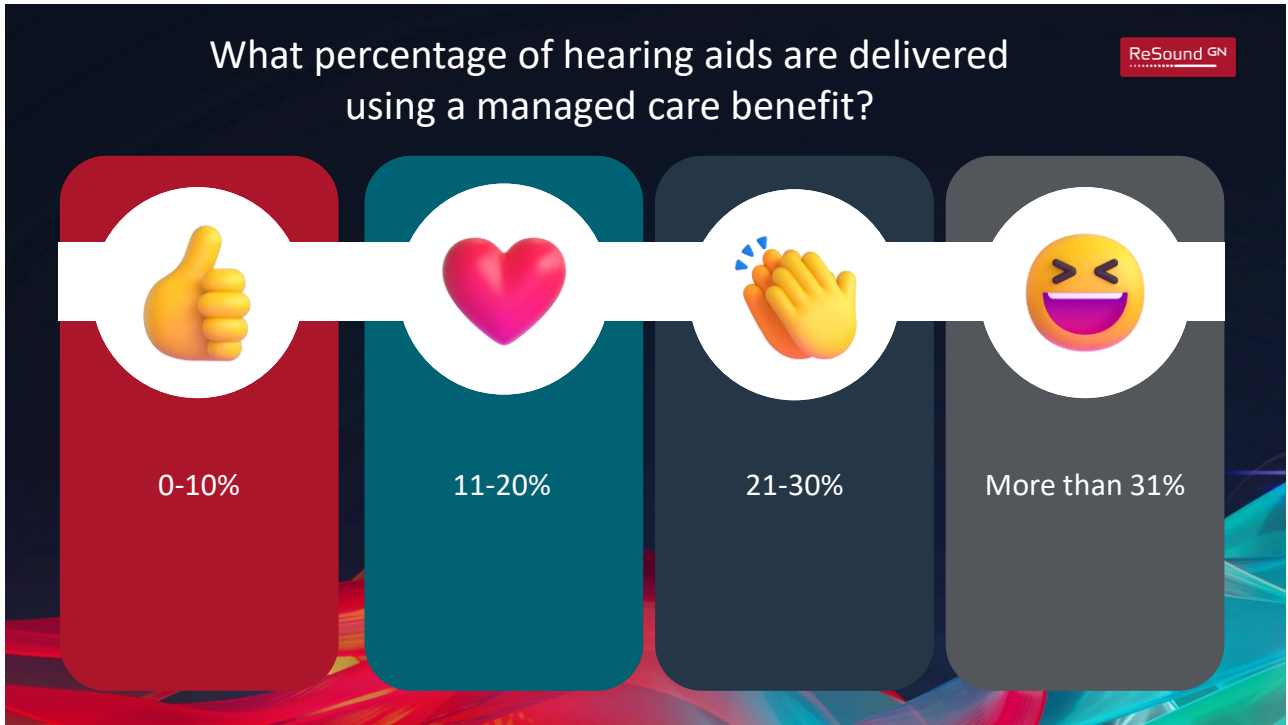
Territory Sales Manager

Inside Sales Manager

Field Training Audiologist

Remote Training Audiologist

4



5

Managed Care

A health care delivery systems organized to manage costs, utilization, and quality¹

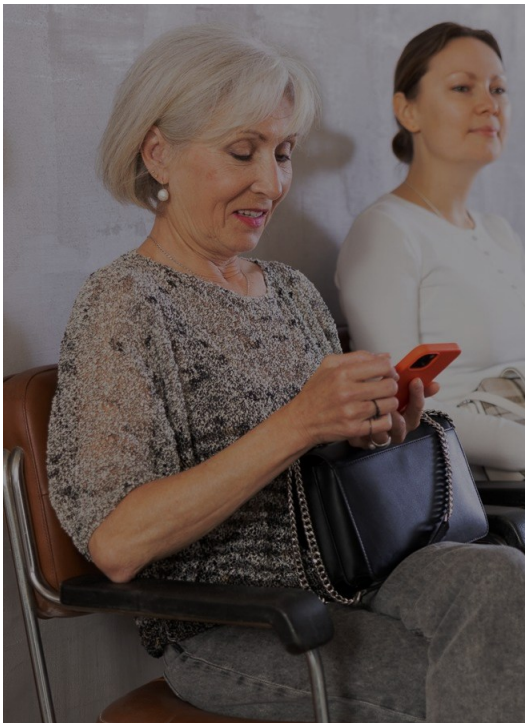
Grown from 1% of the market in 2015 to over 20% in 2025

Over 50% of Medicare eligible patients are enrolled in a Medicare advantage plan

1. Centers for Medicare & Medicaid Services, Managed Care. Retrieved from <https://www.medicare.gov/medicaid/managed-care>

A photograph of a middle-aged man with dark hair, wearing an orange polo shirt and brown trousers, sitting on a grey couch. He is holding a small, dark object (likely a hearing aid) in his right hand. The background is a simple, light-colored wall.

6



ReSound GN



Schedules are booked two weeks out

Managed care is becoming more common in the area

Profitability is down despite a full schedule

7

ReSound GN

Optimizing Managed Care for Success

Financials

Use **financial data**, like cost per hour and revenue per hour to determine **how to implement** managed care into your practice

Schedules

Use **block scheduling** to **optimize efficiency and resource utilization** within your practice by improving patient flow

Service Fees

Review all managed care **contracts** to determine which services are **included and what can be billed separately**

8



Financials

Use **financial data**, like cost per hour and revenue per hour to determine **how to implement** managed care into your practice

9

Calculating hourly rates



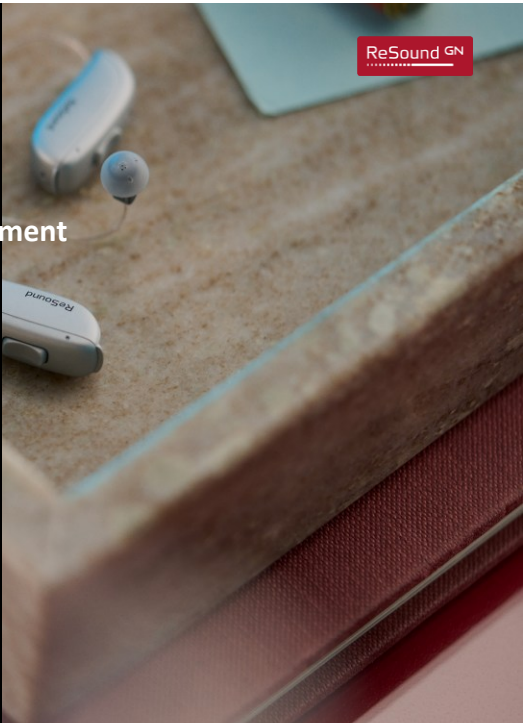
Use financial data to determine **how to implement** managed care into your practice



Cost per hour is how much it **costs to operate the practice hourly** and includes all operational expenses



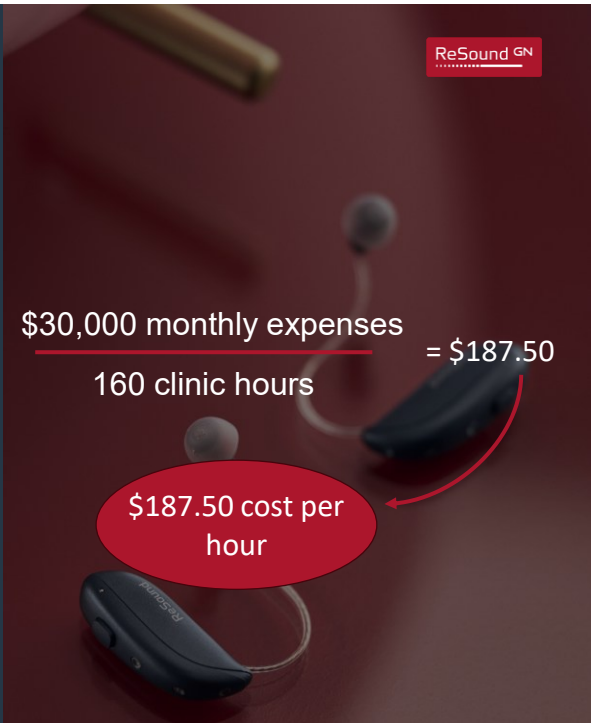
Revenue per hour is how much the practice earns for **each hour in operation**



10

Calculating cost per hour

- 1 Determine your cost per hour by adding all monthly expenses
- 2 Calculate the number of hours the practice is open per month
- 3 Divide monthly expenses by clinic hours to find cost per hour



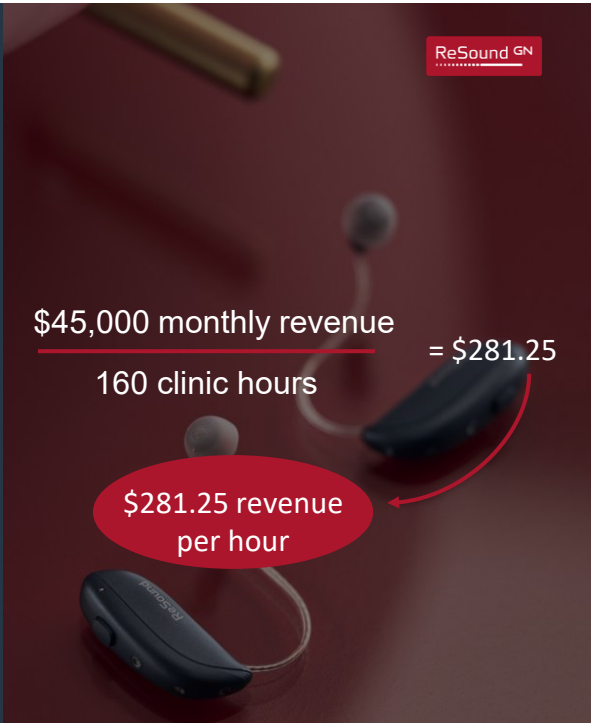
$$\frac{\$30,000 \text{ monthly expenses}}{160 \text{ clinic hours}} = \$187.50$$

\$187.50 cost per hour

11

Calculating revenue per hour

- 1 Determine your revenue per hour by identifying total monthly revenue
- 2 Calculate the number of hours the practice is open per month
- 3 Divide monthly revenue by clinic hours to find revenue per hour



$$\frac{\$45,000 \text{ monthly revenue}}{160 \text{ clinic hours}} = \$281.25$$

\$281.25 revenue per hour

12

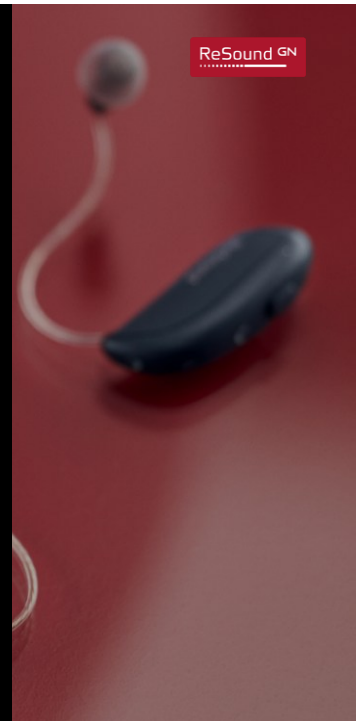
Profitability



If **revenue per hour** is more than **cost per hour**, then practice is **profitable** during that clinical time



If **cost per hour** is more than **revenue per hour**, then practice is **losing money** during that clinical time



13

Implementing managed care



Use your cost per hour to determine **how to schedule managed care patients**



Review your managed care contracts to determine **average reimbursement** and **time spent with patient**



14

If your MC reimbursement is \$400 and your cost per hour is \$250, are you profitable if you schedule a 60-min evaluation, a 60-min fitting, and two 30-min follow-up appointments?

ReSound GN



Yep, that math works!



Nope, the costs to run the clinic for 3 hrs is \$750

15

ReSound GN

Schedules

Use **block scheduling** to **optimize efficiency and resource utilization** within your practice by improving patient flow

16

Block scheduling

-  A method of **allocating time slots** for specific types of appointments/procedures
-  Optimizes **efficiency & resource utilization** within practices by improving patient flow
-  Potential to **increase revenue** generating appointments

Controlling the schedule means controlling the revenue potential

17

Monday					Tuesday					Wednesday					Thursday					Friday				
					Clean and Check					HA Evaluation Opportunity														
HA Fitting					Adjustment					Clean and Check					HA Evaluation Opportunity					Referral Testing				
					Referral Testing					HA Fitting					Clean and Check									
Clean and Check																				HA Evaluation Opportunity				
Clean and Check					Referral Testing										HA Fitting									
										Clean and Check										Referral Testing				
Clean and Check															Referral Testing									
					HA Evaluation Opportunity					Adjustment										Referral Testing				
Adjustment																								

18

ReSound GN

Monday	Tuesday	Wednesday	Thursday	Friday
HA Fitting	Clean and Check	HA Fitting	Adjustment	
	Clean and Check		Adjustment	
HA Fitting	Clean and Check	HA Evaluation <i>Opportunity</i>	Adjustment	HA Evaluation <i>Opportunity</i>
HA Evaluation <i>Opportunity</i>	Clean and Check	HA Evaluation <i>Opportunity</i>		
Referral Testing	Referral Testing			Referral Testing
Referral Testing	Referral Testing			
	Referral Testing			

19

Implementing block scheduling

1

Identify needed **monthly hearing aid revenue** and calculate **average sales price** of hearing aids

ReSound GN



Monthly hearing aid revenue = \$100,000
ASP = \$2500

20

Implementing block scheduling

2

Divide hearing aid revenue by average sales price to determine number of **hearing aid fittings needed***

*consider your binaural closure rate



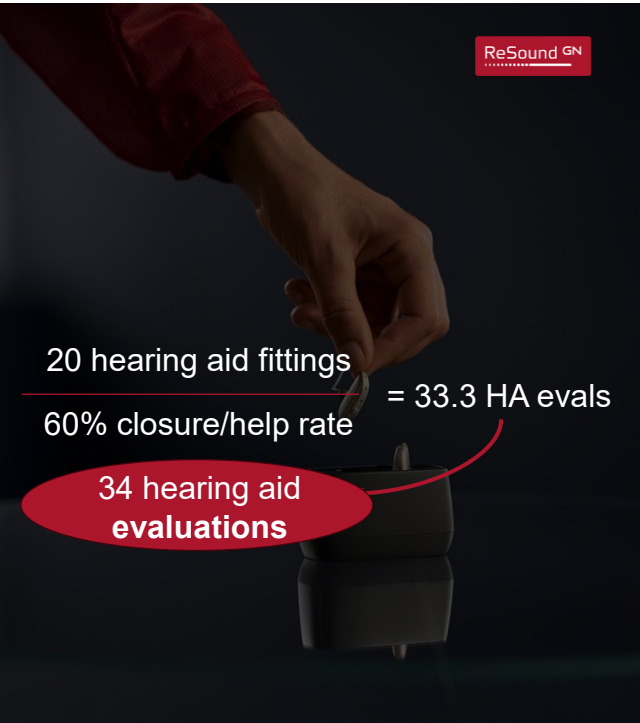
\$100,000 HA Revenue
\$2,500 ASP
= 40 units
20 hearing aid fittings

21

Implementing block scheduling

3

Divide **hearing aid fittings by provider's closure rate** to determine how many hearing aid evaluation blocks are needed



20 hearing aid fittings
60% closure/help rate
= 33.3 HA evals
34 hearing aid evaluations

22

Implementing block scheduling

4

Distribute the fittings and evaluations across providers and weeks with focus on patient time preferences

ReSound GN

Balance revenue and non-revenue generating appointments with other types of scheduling blocks

23

Block scheduling tips



Block scheduling can be **applied to entire week** or for just **select appointment types**



Leave at least **1 day per month open** to account for office closure due to weather & HCP sick days



Block time early AM and late PM for admin work, walk-ins, repairs, reprogramming, etc.

Balance revenue and non-revenue generating appointments with other types of scheduling blocks

24

What types of appointments will you start implementing block scheduling?

ReSound GN



Evaluations and fittings only



Managed care appointments



All appointment/ service types



Other (type in chat)

25

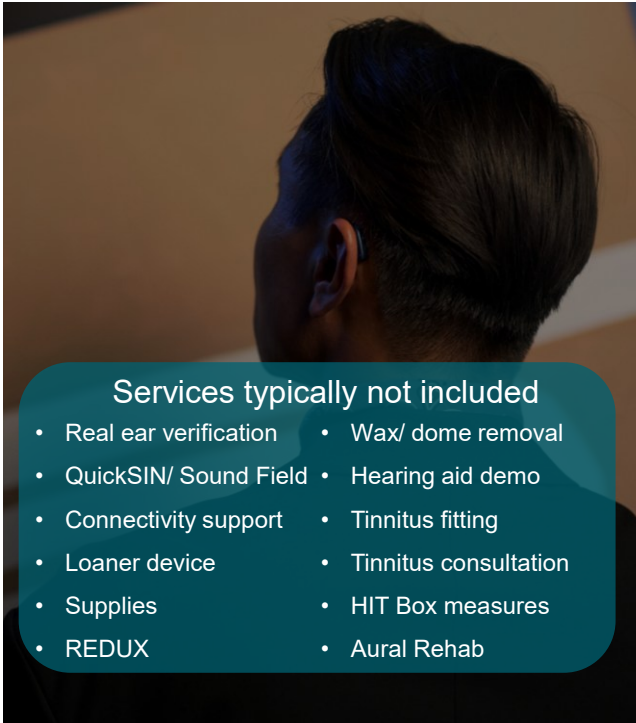
ReSound GN

Service Fees

Review all managed care **contracts** to determine which services are **included** and what **can be billed separately**

26

13



ReSound GN

Pricing optimization



Identify which services are **not included** in your contract



Utilize a fee schedule/ super bill for all patients and charge appropriately for services

Services typically not included

- Real ear verification
- QuickSIN/ Sound Field
- Connectivity support
- Loaner device
- Supplies
- REDUX
- Wax/ dome removal
- Hearing aid demo
- Tinnitus fitting
- Tinnitus consultation
- HIT Box measures
- Aural Rehab

27

ReSound GN

Financial information needed for determining service fees

Cost per hour

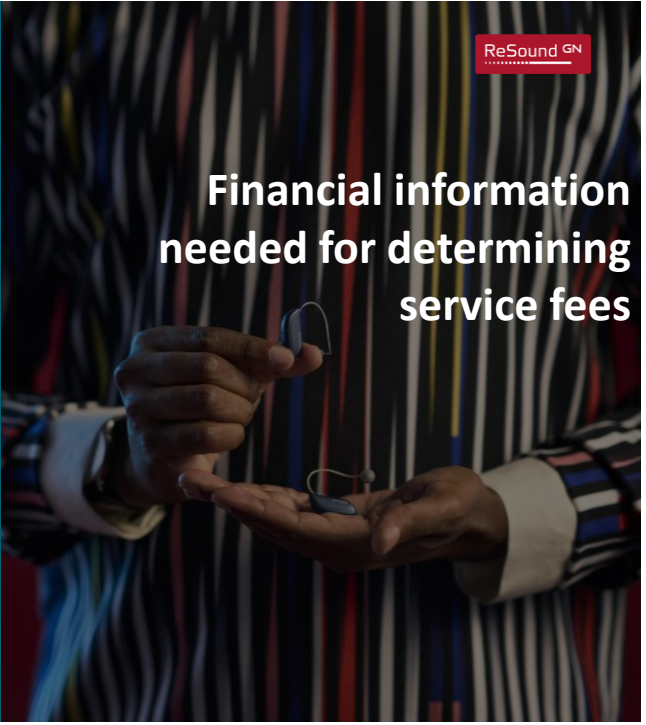
Cost per hour is monthly **operating expenses** **divided** by monthly **clinic hours**

Revenue per hour

Revenue per hour is monthly **revenue** **divided** by monthly **clinic hours**

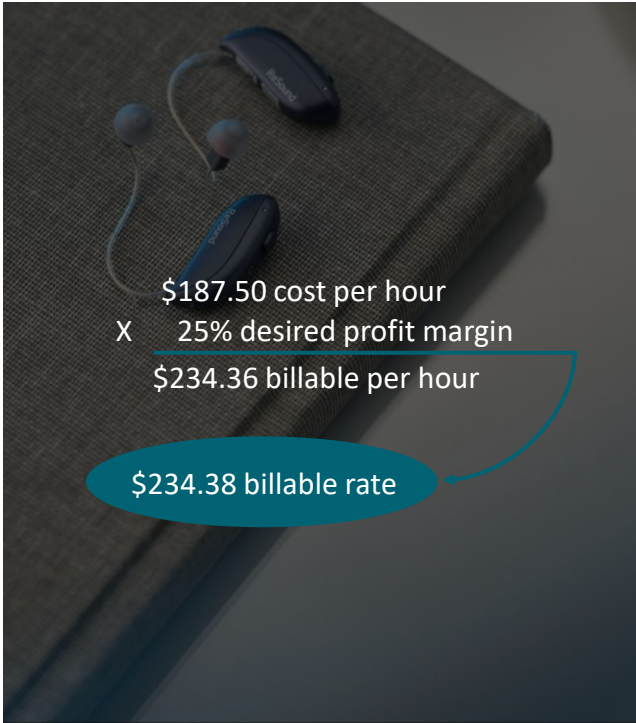
Billable per hour

Standard hourly rate a practice **charges for services** that includes expenses and profit



28

14



\$187.50 cost per hour
X 25% desired profit margin
\$234.36 billable per hour

\$234.38 billable rate



Calculating billable rate per hour

- 1 Use your cost per hour and desired profit margin*
- 2 Multiply cost per hour by profit margin to find billable rate per hour

*25% is the recommended profit margin to account for write-off and time overages

29



\$234.38 billable hourly rate
x 0.25 Real ear service time
\$58.60 real ear service fee

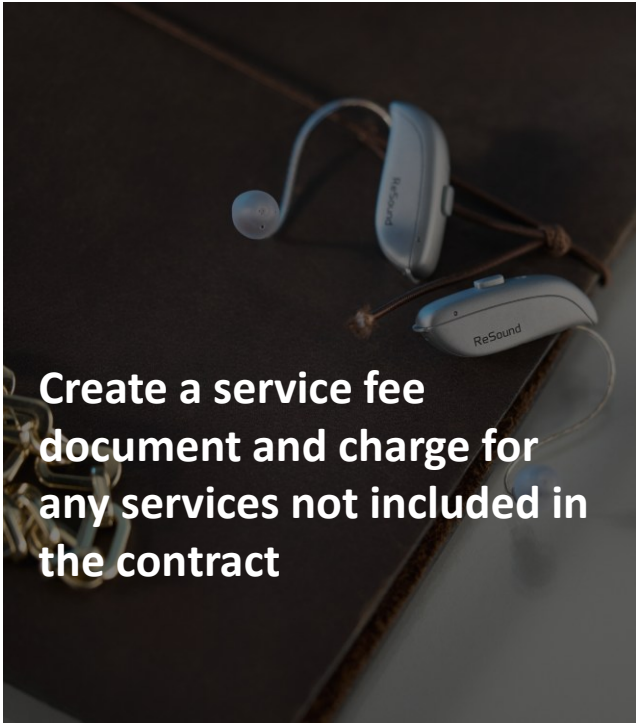
\$58.60 service fee for real ear



Determining service fees

- 1 Use your billable hourly rate and the service/procedure time
- 2 Multiply the billable hourly rate by service time to determine service fee

30



Create a service fee document and charge for any services not included in the contract

ReSound GN

[Provider name] has fully explained that my managed care plan **does not** cover the following services and payment will be made directly to [Practice name]. I understand and acknowledge that these services are optional. By signing, I am agreeing to pay out-of-pocket for the following selected additions to my treatment plan:

To optimize fitting success:

- ☐ Electroacoustic analysis: \$75
- ☐ Real ear verification: \$45
- ☐ Speech validation: \$55

Patient Signature: _____ Date: _____

I am choosing to decline the additional services offered by [Practice name]

Patient Signature: _____ Date: _____

31

To determine the service fee, you should:

ReSound GN



Ask the social media groups



Calculate your billable hourly rate and apply that to the service time

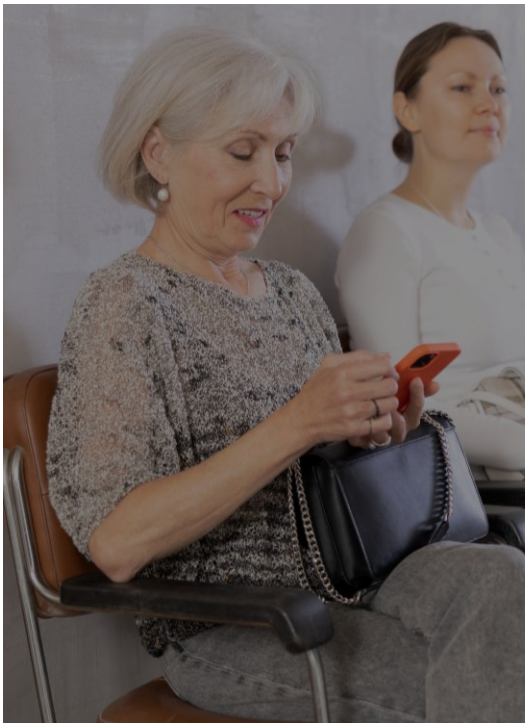


Reach out to your ReSound teams for assistance



Not worry with it and include all services at no charge

32



ReSound GN



Schedules are booked two weeks out

Managed care is becoming more common in the area

Profitability is down despite a full schedule

33

ReSound GN

Optimizing Managed Care for Success

Financials

Use **financial data**, like cost per hour and revenue per hour to determine **how to implement** managed care into your practice

Schedules

Use **block scheduling** to **optimize efficiency and resource utilization** within your practice by improving patient flow

Service Fees

Review all managed care **contracts** to determine which services are **included and what can be billed separately**

34