Embracing Optometry & Vision Plans: Creating a Successful MD/OD Business Model Part I

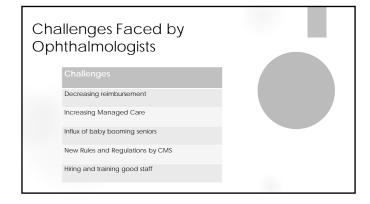
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Objectives

- Challenges faced by Ophthalmology Practices
- ► What Can an Optometrist Bring to the Table?
- Searching for the "Right" Optometrist
- How to Successfully Transition the New Optometrist to the "Medical Team"
- Case Study Rural Indiana
- Opportunity Win/Win/Win

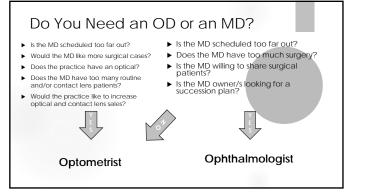


An Optometrist Can Address These Challenges:

Challenges	Solutions
Decreasing reimbursement	* Reimbursement is the same for an OD * An OD can help increase business in the optical
Increasing Managed Care	 OD can see patients with capitated contracts OD can help increase efficiency & decrease costs to appeal to ACOs
Influx of baby booming seniors	* Allows MD to see more surgical patients * An OD can provide routine eye care
New Rules and Regulations by CMS	* OD can help manage implementation of EMR, PQRS, etc.
Hiring and training good staff	* OD can train technicians and create training program

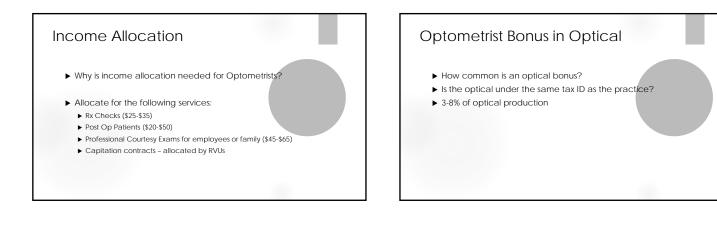
What Can an Optometrist Bring to the Table?

- Optometrists are licensed doctors.
- ► They can prescribe topical medications.
- ► In most states Optometrists can prescribe systemic
- medications.
- They require less staffing = less cost.
- Optometrists can help increase optical and contact lens revenue.
- Optometrists can share call.
- Optometrists can diagnose and treat eye diseases.
- Optometrists do not perform surgery, but they can insert plugs and perform minor procedures.



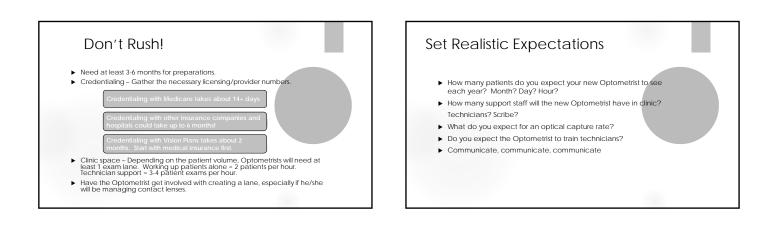






Fina	Ancial Opportunity Patients per hour Days per week (7 hour days) Weeks worked Average Revenue per Encounter Total Revenue Optometrist Salary + Bonus (Assumes \$100K + 20%) Practice Opportunity	y for the Practice 3 5 45 \$90 \$425,250 \$125,050 \$300,200	
	What is NOT included?Additional revenue from cataraAdditional revenue in the optical		

How to Successfully Transition the New Optometrist to the "Medical Team"



Create a Transition Plan <u>Before</u> the Start Date

- Schedule observations Clinic and surgery.
- Work together to create a patient schedule.
- Promote the new doctor create a bio and credentialing statement.
- Utilize the new doctor's bio on the website, print advertising, patient newsletter, staff email, etc.
- Conduct training on EHR, CPT coding, ICD10 coding, telephones, etc.
- Plan a dinner or reception to introduce the new doctor to staff and/or the community.
- Schedule small lunches with referring physicians.

Sample Credentialing Statements

- Dr. Smith is a board certified Optometrist with a special interest in dry eye. In addition to practicing full scope optometry, Dr. Smith specializes in refractive clinical care and in teen, adolescent, and sports vision.
- Dr. Jones is a medically trained Optometrist with more than 10 years experience treating patients of all ages. His areas of interest are in general eye care, traumatic brain injury involving visual dysfunction, diabetic eye disease, and clinical research.

Transition After the Start Date

- Telephone Mystery Shopping
- Provide customer service training and introduce new Optometrist. Have Optometrist educate the staff on his/her training, expertise, passion, etc.
- Ophthalmologist should be present to make introduction and support new doctor.
- Utilize flip chart to write what new patients should be scheduled with established MD vs. new OD.
- Optometrist should have a follow-up meeting to educate staff on new procedure/s.
- Optometrist should also provide staff eye exams so they become comfortable with ability and knowledge of OD.
- Schedule weekly meetings with the senior Ophthalmologist, new Optometrist and Administrator to make sure expectations are being met.

Flip Chart Example Dr. Ophthalmologist Dr. Optometrist ► Complete Eye Exams Cataract Patients Post Op Patients after 24 hours Premium IOL Patients ► Complex Glaucoma Patients ► Glaucoma Suspect Patients ► LASIK Patients Rx Checks Post Op within 24 hours Staff/Professional Courtesy Exams Emergency Visits (post-surgery) ► Contact Lens Fit/Issues Flashes and floaters Emergency Visits (red eyes/dry eyes/swollen eyes) Children Eye Exams

Case Study: Rural Indiana Medicare Billing Code of Federal Regulations Location: Rural Indiana. Very difficult location to find an Optometrist Title 42, Section 424.535 (a)(7) § 424.535 Revocation of enrollment and billing privileges in the Medicare program. (a) Reasons for revocation. CMS may revoke a currently enrolled provider or supplier's Medicare billing privileges and any corresponding provider agreement or supplier agreement for the following Practice has 1 location with 2 Ophthalmologists and 1 Optometrist recently moved after 5 years being with the practice Administrator searched for months before finding the right OD. (7) Misuse of billing number. The provider or supplier knowingly sells to or allows another Opportunity: (1) misses of animity immeet: the provider of supplier knowingly sets to or allows and the individual or entity to use its billing number. This does not include those providers or suppliers who enter into a valid reassignment of benefits as specified in §424.80 or a change of ownership as outlined in § 489.18 of this chapter. Last OD was a low producer with just 1-2 patients per hour. Sporadic technician support No bonus structure based on production. Section 424.550(a) 424.550 Prohibitions on the sale or transfer of billing privileges. (a) General rule. A provider or supplier is prohibited from selling its Medicare billing number or Did not provide any income allocation for all the post-ops (u) General rule: A provider or supplier is prohibited from selling its Medicare billing number or privileges to any individual or entity, or allowing another individual or entity to use its Medicare billing number. (1675 x \$30 = \$50,250) Total net collections by the OD was just \$325,000 after 5 years of practice.

Case Study: Rural Indiana

- New Optometrist and husband moved to the area and are thrilled
- Transition period included:
 - OD observing both MDs
 - Staff training on Customer Service, her training, passion, and a list of what patient types should be scheduled with MD vs. OD.
 - ► Each employee receives their annual vision exam with OD.
 - Staff feels more confident in her abilities and understands how to schedule patients with her
- OD provided with consistent technician support
- Created bonus structure at 20% above threshold of 3X annual salary.
- OD receives \$30 revenue allocation for every post-op seen
- OD sees 4+ patients per hour
- Production after 6 months is \$240,000 tracking at \$480,000 for her first year

Opportunity Win/Win/Win!

