The Private Practitioner's Guide to

DoingBusiness

Striking it Rich

Keep the revenue flowing by enhancing industrial rehab programs.

BY JIM MECHAM, MS, OTR/L, AEP

elivering workers' compensation services is a viable option for private practitioners, if you can provide answers to the right questions.

What percentage of your clinic's clients are workers' compensation patients? Do you provide higher level industrial rehabilitation services or strictly traditional rehab? Are you maximizing your in-house workers' compensation patient revenue? Is your facility recognized as a specialist in treating injured workers? Is your clinic located in a tier 1, 2 or 3 workers' compensation reimbursement state?

These are the primary questions I ask private practice owners and directors of rehab when they're looking to enhance revenue and volume before implementing or improving industrial rehab programs. Part of your responsibilities means considering the overall financial picture of treatment and understanding what it takes to keep the practice running.

Just as financial portfolios require diversification to achieve moderate or rapid growth, so does a clinic. An outpatient rehab clinic that diversifies and treats workers' compensation patients can enhance revenue and promote growth. A facility with a diverse portfolio and a large percentage of these types of patients can work toward this goal.

Workers' compensation reimbursement is different in every state. Private practice owners and rehab directors in tier 1 and 2 states can have the greatest impact on their bottom lines. Fee schedules in the five tier 1 states-Wisconsin, Alaska, Connecticut, Indiana and Illinoisare conducive to seeing workers' compensation patients. If you don't specialize in treating injured workers and are in a tier 1 state, you're missing the boat.

In the 28 tier 2 states, if you can achieve a workers' compensation patient case load of at least 50 percent, reimbursement is favorable. Reimbursement in tier 3 states isn't much more than Medicare reimbursement.

If you practice in these financially lucrative states, you should consider several program enhancements to increase revenue.

BUILDING A PATIENT BASE

Case load in a perfect clinic would consist of 100 percent of workers' compensation patients. This isn't attainable, but by constantly pursuing this goal you can achieve excellence by reaching a level of 25 percent to 50 percent. This percentage of workers' compensation patients can provide significant revenue to sustain your practice and create expansion opportunities.

It starts by being recognized as a clinic that specializes in treating injured workers. To be noted as a specialist in this area, you need to offer high quality return to work outpatient therapy services to assess and treat workers' compensation patients. These services should include functional capacity evaluations (FCEs), job site analysis and work conditioning, as well as functional return to work-based progress notes and discharge summaries.

First, look at the long-term treatment goals of your clinicians. In many cases, less than 5 percent of long-term goals mention return to work.

How can you treat patients who sustain an injury at work if the main goals don't reflect the need for full return to job duties? For an outpatient rehab facility, 50 percent of long-term goals should be directly related to return to work skills. With just this one item, you can have an impact on a clinic's level of expertise. When you achieve this goal, several things can occur.

• The philosophy and culture of the clinic shifts from a rehab facility to a return to work facility.



- · Case managers and insurance carriers recognize that you're focused on returning clients to work. As a result, they promote your facility to physicians.
- Payment from insurance carriers gets easier because you have a common goal.
- Your focus on returning injured workers to gainful employment increases referrals.

Once you remedy the long-term goal issue, you can take the next step and get your therapists to think like a physician. Be one step ahead of the physician so you make their job easier. For instance, don't use the phrase "please advise" on progress notes. Many physicians appreciate it when you take the lead on a case, and they'll let you know if they disagree with your recommendations.

First, every progress note or discharge summary you send a physician following the acute stage of a work-related injury should document 90 percent of return to work abilities and 10 percent of musculoskeletal information. Second, if you feel the client can benefit from specialty services, such as work conditioning or functional capacity testing, express this in your progress notes. You become an internal referral source for your own facility's high level programs and now the medical professional who spends the most time with patients is managing the case.

And finally, establish a relationship with local businesses by conducting periodic job site analyses. Compiling this information helps your overall treatment program and long-term goal formulation, and it may generate other types of business.

ADDING QUALITY PROGRAMS

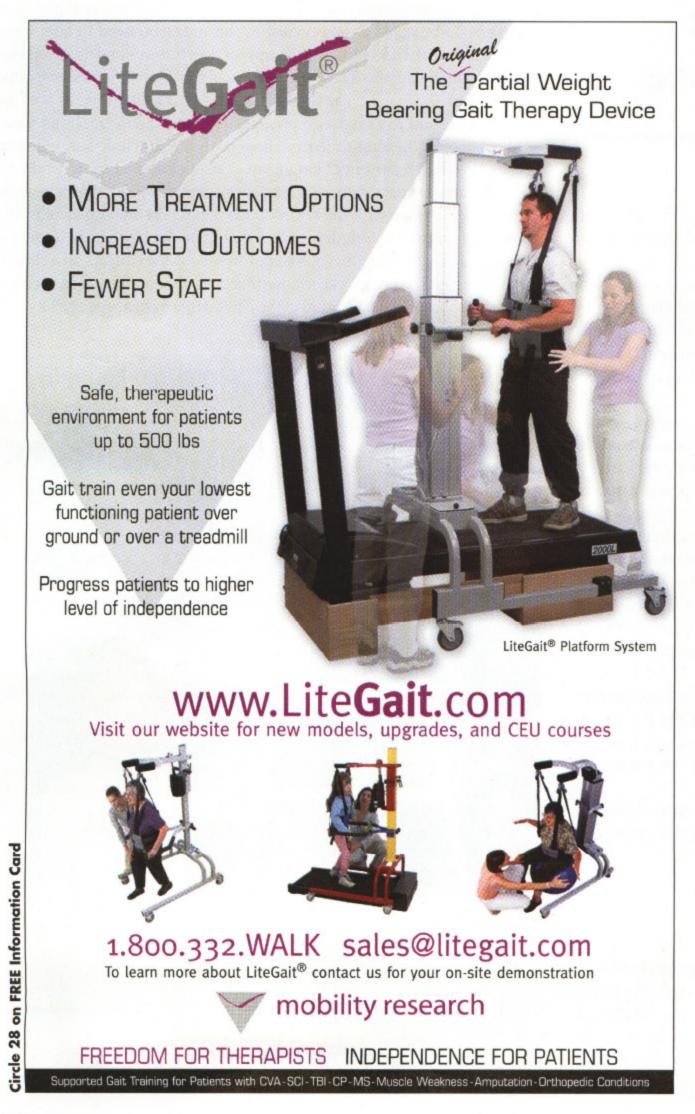
The final measure to achieve a higher level of workers' compensation patients is to implement a full menu of specialty services. Do you offer a full menu of industrial rehab services? An array of industrial rehab services helps make the goal of full return to work duty a reality for employers, insurance carriers and physicians. Make your facility a one-stop shop by taking a look at your programming to see what changes you need to make.

For instance, consider implementing injury and job-specific 30- to 90-minute re-evaluations that you can perform during a normal outpatient treatment session. The primary goal is to let the physician, insurance carrier and employer know how close a client is to returning to work.

One option is to use a computer generated report that compares a client's current functional abilities in an injured joint or body segment to abilities that are required to meet the full physical demands of a job. These function-based progress notes help establish you as a specialist treating injured workers by showcasing your facility's high quality treatment and patient reports.

Function-based progress notes and discharge summaries don't require a physician referral and, in most states, don't require insurance approval, since they're part of normal treatment sessions. They're also a new and improved revenue stream for clinics, since they're typically billed with higher codes.

Another option is work conditioning. Organizations that perform work conditioning see at least 5 percent of workers' compensation patients during traditional outpatient rehab. It's convenient for patients because they don't have to go to a different clinic for this service. If you take the time and effort and properly train your staff to perform this lucrative service, you'll see significant revenue generation.



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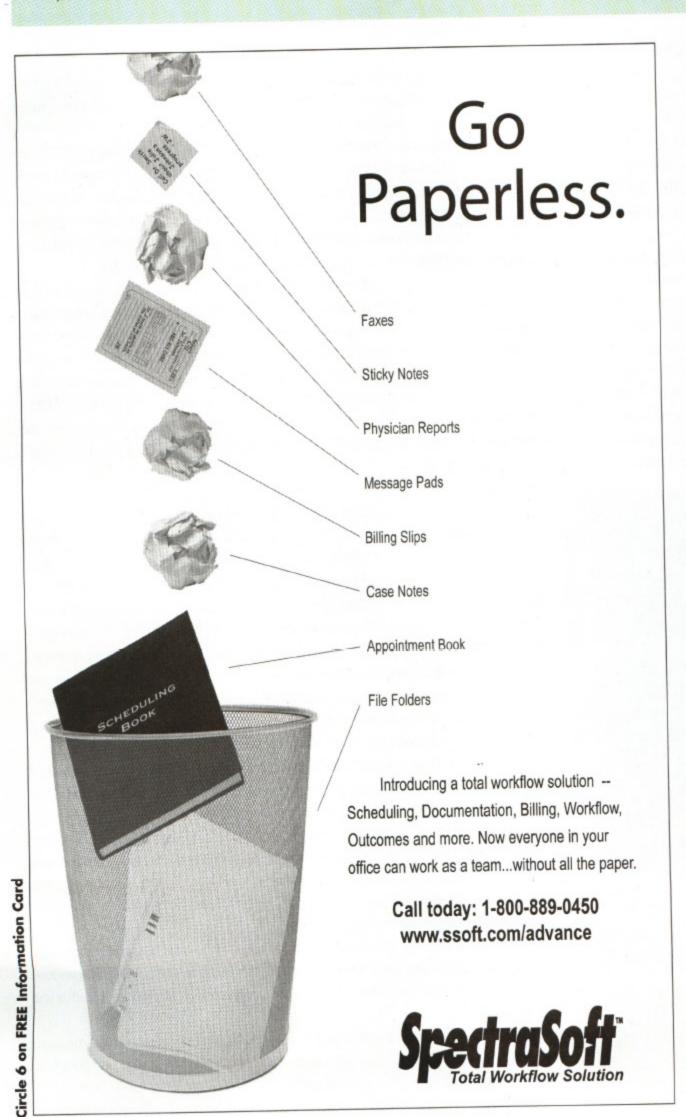
CODING CLUES (continued)

Part B skilled nursing facilities, comprehensive outpatient rehab facilities and home health agencies not under a home health plan of care, you don't need a DME supplier number to bill Medicare for L codes for custom-fitted and custom-fabricated orthoses. In these settings, bill the appropriate L codes on the claim form that contains therapy charges. This information is submitted to the Medicare fiscal intermediary or Medicare administrative contractor.

For more information, reference the following information: CMS pub. 100-104, Chapter 20, Section 10 at www.cms.hhs.gov/manuals/downloads/clm104c20.pdf;

the CPT Assistant (December, 2005 and February, 2007); CPT Changes 2006—An Insider's View; and the American Physical Therapy Association's overview of billing orthoses and prostheses at www.apta.org

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To complete your menu of services, offer FCEs. But make sure you research the various testing options.

Implementing an FCE solution with reliability research and standardization is important, but you also need to look at FCE software that produces reports that are easy to decipher and make sense to referral sources.

Thinking outside the box with industrial rehab programming is extremely important. Many private practices think they don't have the space to implement or improve offerings. In fact, all you need to get started is 15 square feet for material handling equipment and 25 linear feet to test pushing and pulling.

Take the situation of a facility in a small Wisconsin town. The facility wanted to become a specialist treating injured workers, but they were concerned about space. Following a little rearranging of equipment, a minimal investment and high-level programming implementation, the practice doubled the number of workers' compensation patients in 1 year and tripled workers' compensation revenue. Because of their rapid growth in a tier 1 state, they're doubling the size of the clinic.

Many outpatient facilities within tier 1 and tier 2 states are financially successful because they're specialists treating injured workers. Many private practice owners feel they need an overwhelming number of workers' compensation patients to implement revenue enhancing industrial rehab. However, just the opposite is true.

You need to establish industrial rehab services, improve long-term return to work goals and manage cases better than physicians. Before long, you'll see an increase in both referrals and revenue.

For a complete list of tier 1, 2 and 3 states, go to www.advanceweb.com/rehab and scroll down to Online Extras.

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