Introduction to Lilypad® and POND®

Montana Rural Health Clinics

RHC Context

Federal Funding
Performance Improvement Networks
Strategic and Financial Relevance

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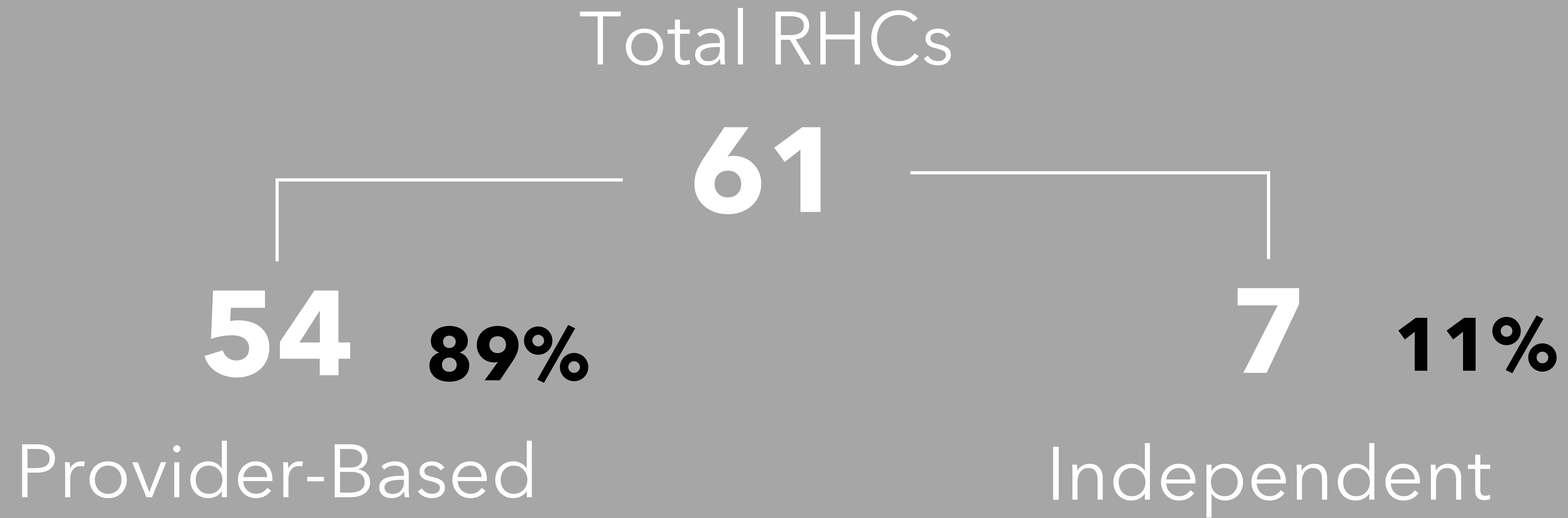
2019 Montana RHCs

RHC Counts



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2019 Montana RHCs

Statewide Medicare Reimbursement

Medicare Costs	**$30,515,708**
Medicare Reimbursement	**$29,085,000**
(Loss) / Gain	**($1,430,708)**

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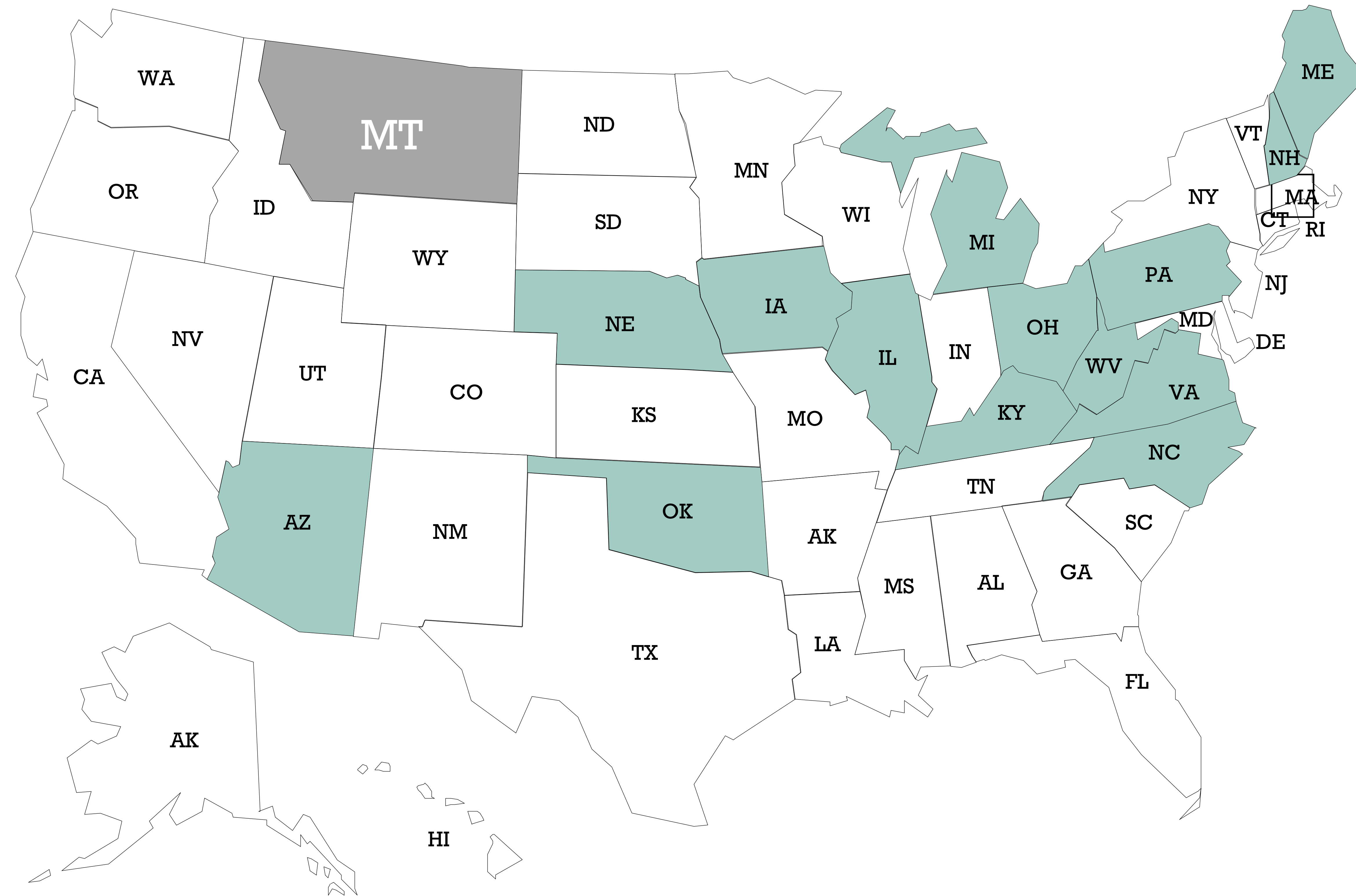
Practice Operations National Database®

Developed by Lilypad, POND® is the only analytics and benchmarking system dedicated specifically to rural primary care practices

Our Current States



If you are located in one of these states you have access to the POND program right now

How Does It Work?

Cost Report Scorecards

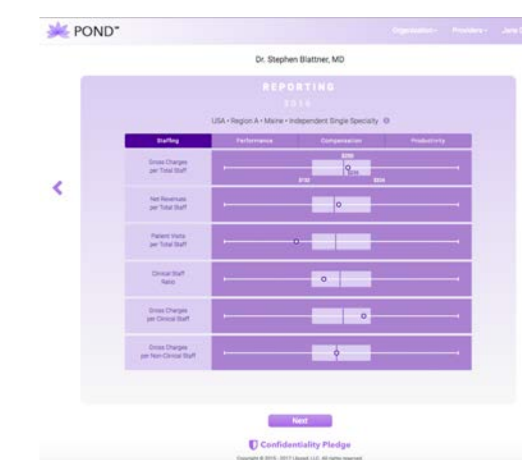
State Scorecards

Clinic Scorecards

POND Analytics

Clinic Scorecard

Interactive Tools



To gain access to these reports and tools the required data must be entered into the POND web application

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RHC Network Checklist

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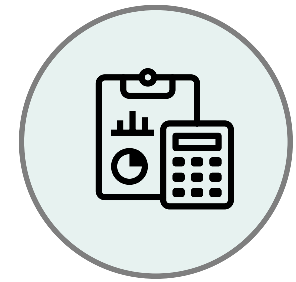
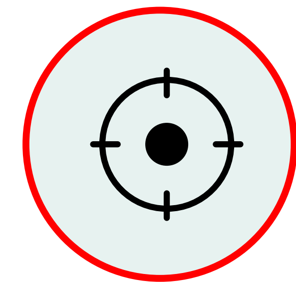
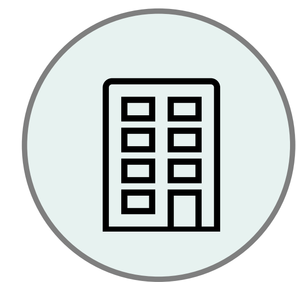
10-Point Checkup

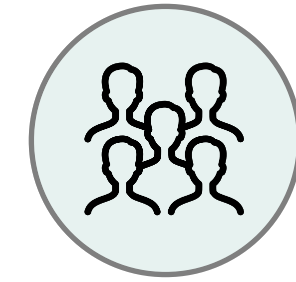

Cost Report Consolidation

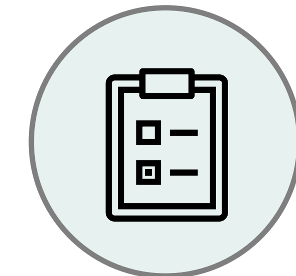

Productivity Standards

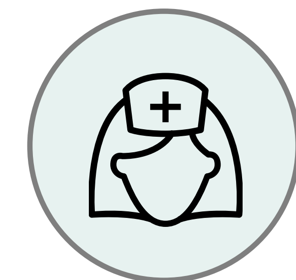

Optimal Hospital Linkage

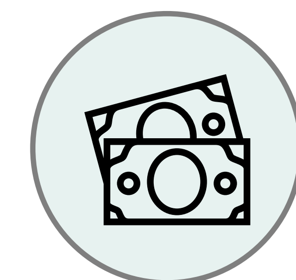
340B Optimization

Specialty Care Integration

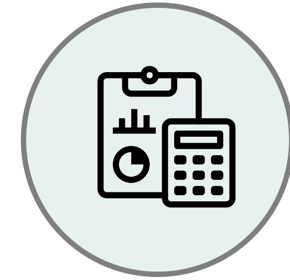

Patient Panel Development


HCC Education and Monitoring


CCM, TCM and BHI Implementation


Contracts and Compliance

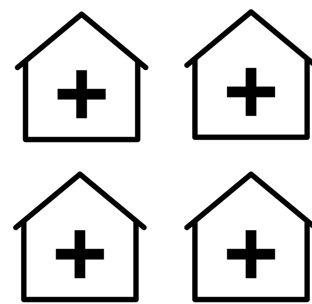
Quality Measurement/Benchmarks



Cost Report Consolidation

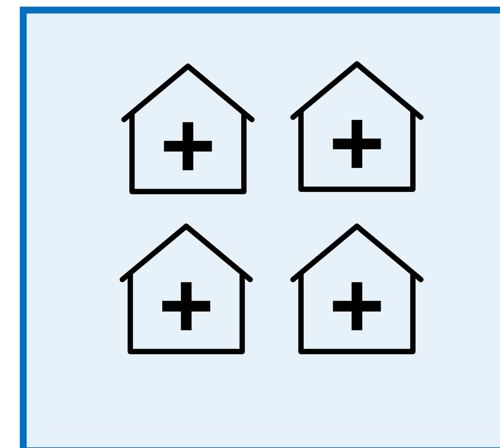
Hospitals have an option to "consolidate" statistics for rural health clinics on their Medicare cost report submissions.

Sample A
4 clinics, **NO** consolidation



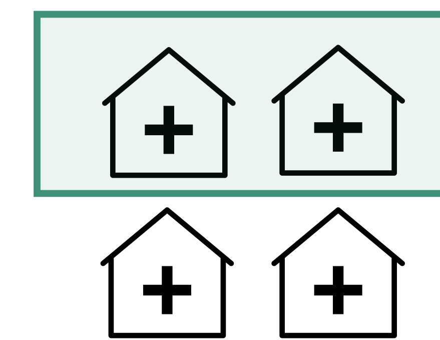
4 Schedule M

Sample B
4 clinics, **FULL** consolidation



1 Schedule M

Sample C
4 clinics, **PARTIAL** consolidation



2 Schedule M

Note: Hospitals need to indicate they will consolidate clinics prior to the start of the cost report year
Note: Consolidation of clinics makes financial sense approximately 90% of the time
Note: Hospitals can elect to consolidate all, some or none of their rural health clinics

Consolidation Case Study

	Clinic A	Clinic B	Combined	Consolidated	Variance
Costs	$1,440,287	$910,724	$2,351,011	$2,351,011	--
Visits	8,644	4,788	13,432	11,031	(2,401)
Adjusted Cost/Visit	$166.62	$190.21	$169.14	$231.13	$43.99
Medicare Visits	2,919	349	3,268	3,268	--
Reimbursement	**$486,372**	**$66,383**	**$522,755**	**$696,501**	**$143,746**

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2019 Montana RHCs

Cost Report Consolidation

	Sites	Cost Reports	
Provider-Based	**54**	**46**	**85%**
Independent	**7**	**5**	**7%**
TOTAL	**61**	**51**	**83%**

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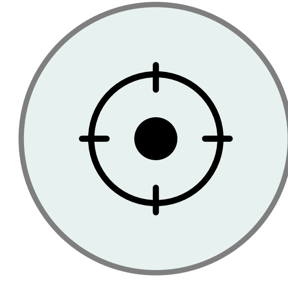

Productivity Standards

CMS defines a minimum expected number of patient visits for physicians and advanced practice providers (i.e. Nurse Practitioners and Physician Assistants)

The goal is always to maximize visit volumes

4,200	2,100
Physicians	APPs

Note: Only employed providers are subject to the Minimum Productivity standards
Note: Contracted physician volumes are not included in the calculation
Note: If clinics do not meet productivity standards, the clinic does not get cost-based reimbursement

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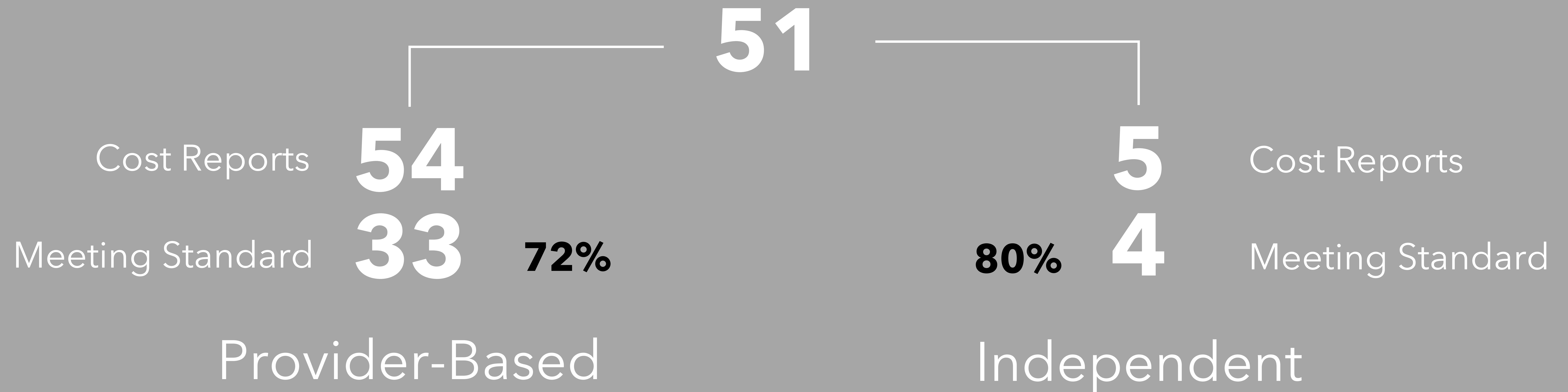
2019 Montana RHCs

Meeting Productivity Standards

Total RHC Cost Reports



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Annual Work RVUs

Physicians (n=561)	3,276 RVUs
APPs (n=564)	2,338 RVUs

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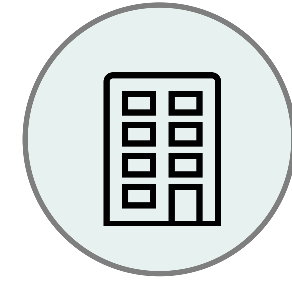


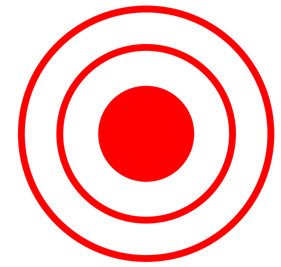
Optimal Hospital Linkage

PB-RHC and hospital should maintain operational, financial and quality alignment

RHC	Hospital	Opportunity
☐	☐	Quality Improvement Program
☐	☐	ER Re-Direct Program
☐	☐	Overhead Allocation
☐	☐	Electronic Health Record
☐	☐	Financial and Reporting Systems
☐	☐	Budgeting
☐	☐	System-wide Clinic Alignment
☐	☐	CCM, TCM, BHI

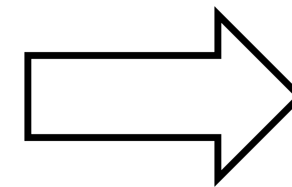
340B Optimization

Federal government program that requires drug manufacturers to provide outpatient drugs to eligible health care organizations at significantly reduced prices



For every 10,000 patient visits equals $300-$400k of Net Revenue

20,000
Patient Visits



Up to $800,000
Potential Net Revenue

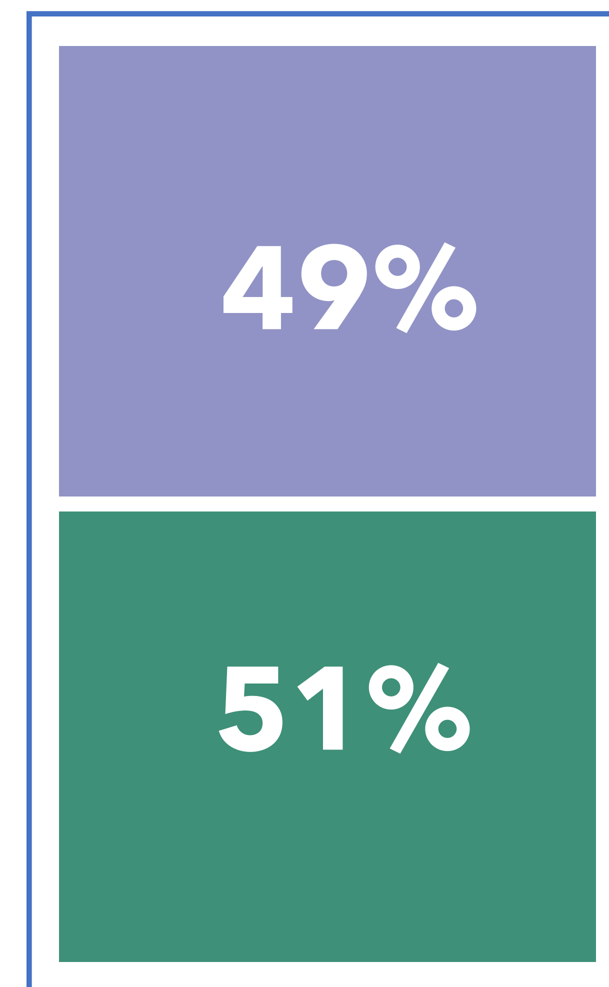
Note: Practices have to qualify for the 340B Program

Specialty Care Integration

Rural Health Clinics were designed to increase access to primary care in rural communities but RHCs also can offer access to specialty care

Primary Care

At least 50% of all services rendered in the RHC need to be "primary care services"



Specialty Candidates

- General Surgery
- Orthopedics
- ENT
- GI
- Neurology

Note: RHCs should prioritize specialties that require clinical time to support surgical volumes

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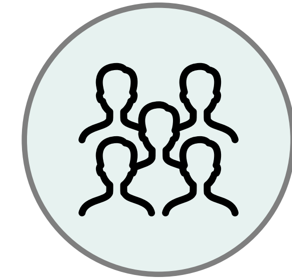
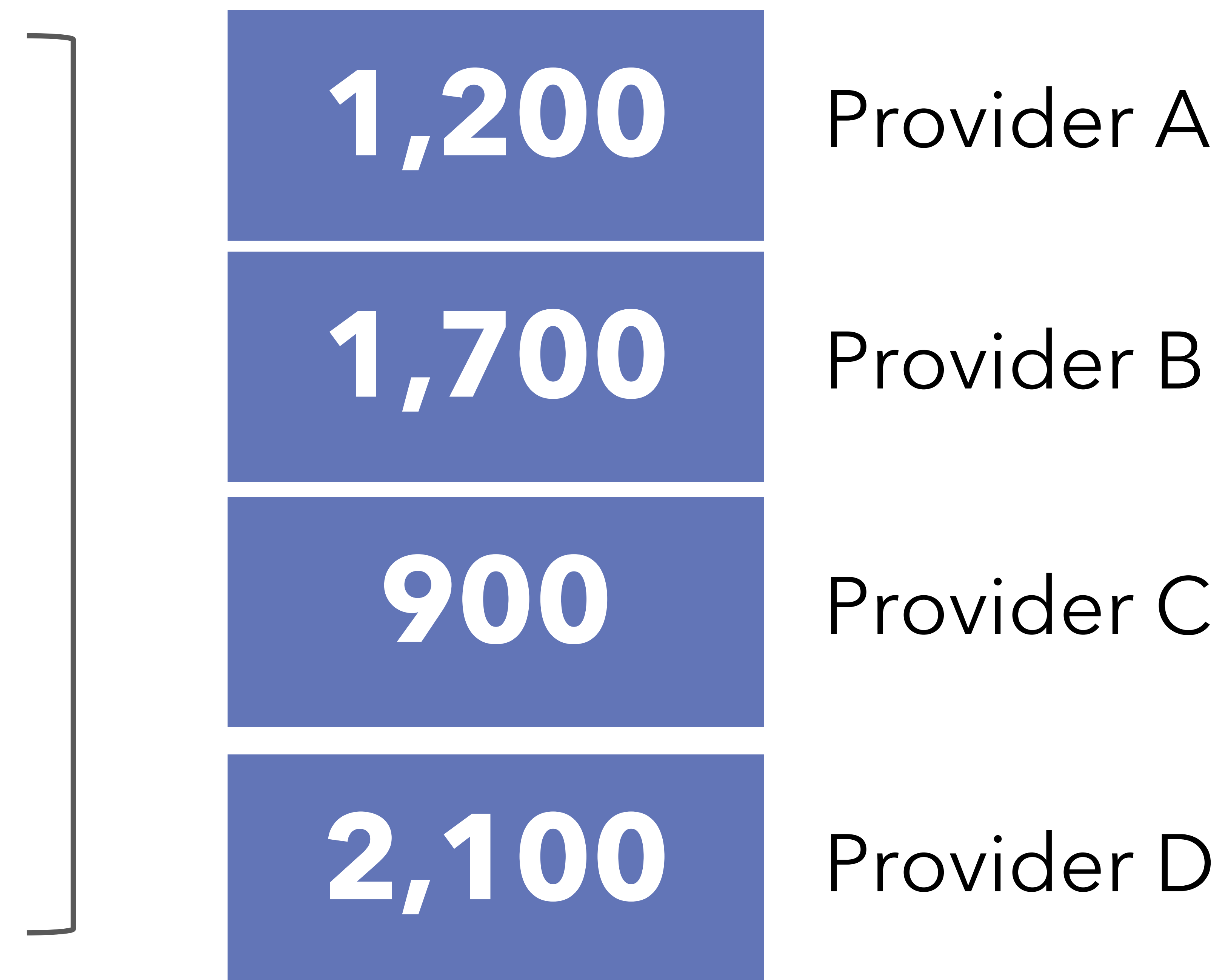


Patient Panel Development

Develop a 1:1 assignment of all RHC patients to a provider to create defined patient "rosters"

Using the EHR, establish a consensus-driven methodology for assigning patients to providers

Create a field in the EHR for primary provider to facilitate future reporting and analysis



Note: Internal Target = Count of annual wellness visits equal to Patient Panel size for each provider

Patient Panel Benchmark

Physicians (n=561)	1,345 patients
APPs (n=564)	1,033 patients

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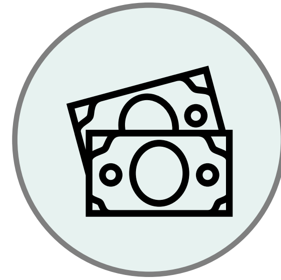
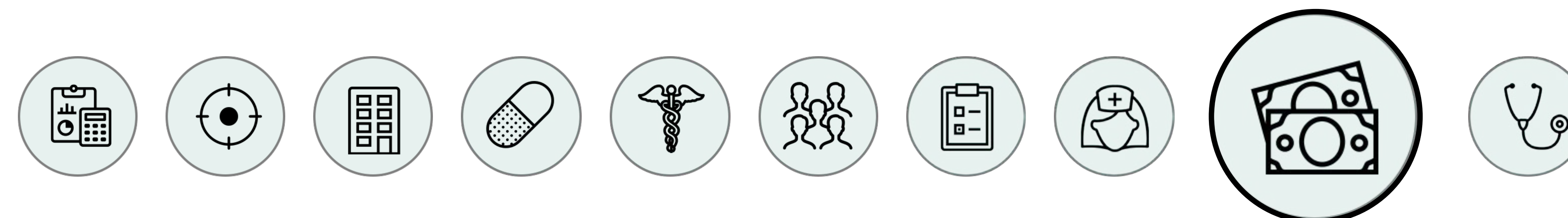


Contracts and Compliance

Provider Compensation is critical but mistakes are common

Inconsistency	Contracts, valuation opinions, and payroll are not standardized, documented, or executed consistently.
Reasonableness	Desperation leads to throwing money at recruitment and retention rather than stepping back and determining what makes sense. Often opportunities for non-monetary compensation are overlooked.
Wrong People	Organizations take a top down approach with compensation and do not involve the practice administrator or the physicians.
Benchmarks	Hospitals assume MGMA (or POND) median will protect them from a compliance standpoint – it won't. The OIG has consistently come out saying surveys are not the final word on Fair Market Value.
Monitoring	When compensation requires supervision, minimum clinical hours, or administrative duties, monitoring of scheduling and documentation is critical.



Annual Compensation (per FTE)

	Base Salary	Variable
Physicians	$165,000 (n=285)	$75,000 (n=184)
APPs	$85,000 (n=292)	$35,000 (n=143)

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2020 RHC Telemedicine Survey

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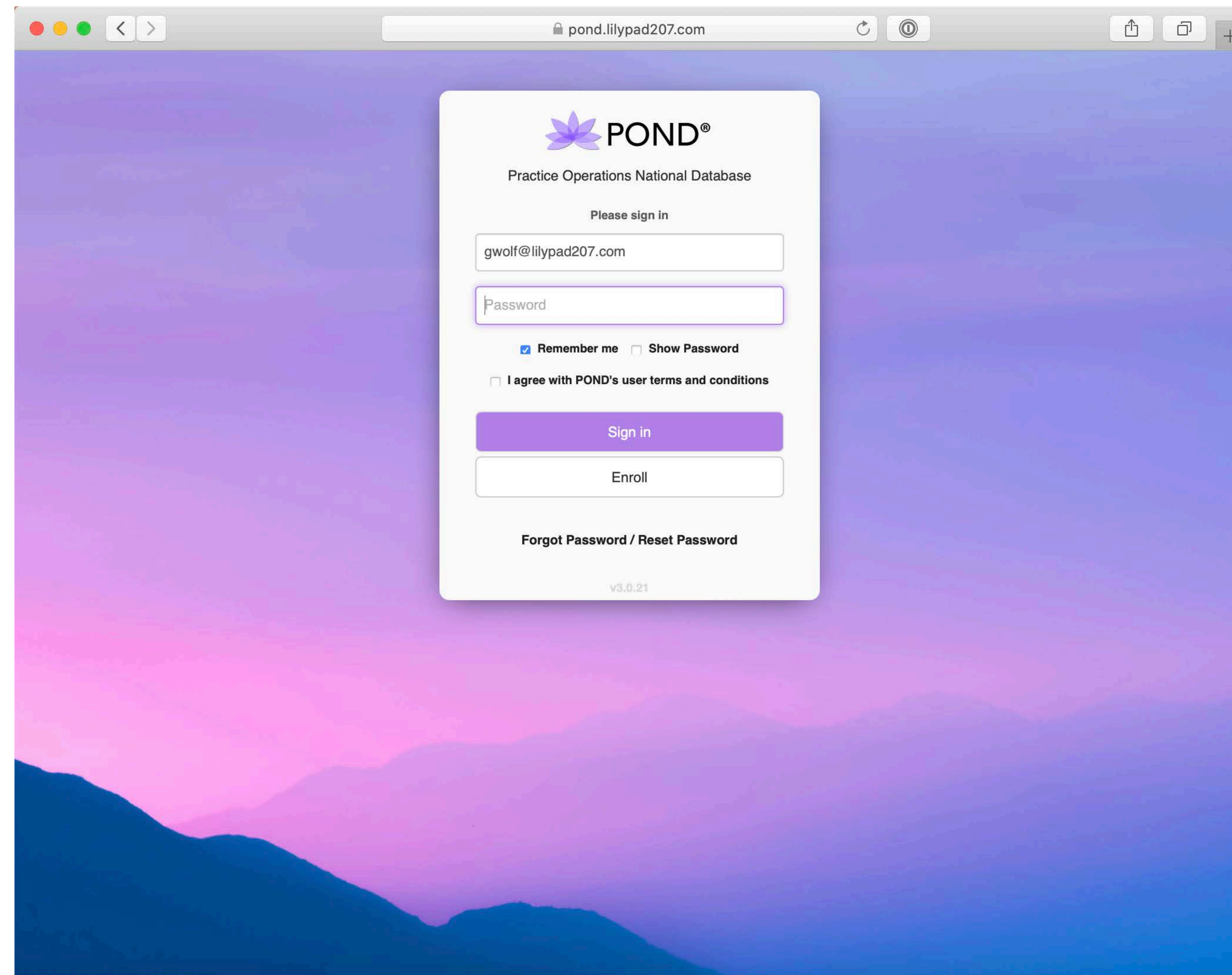
RHC Telemedicine Survey

Administered August 1 – September 30



WHAT YOU'LL NEED

1. 5 minutes
2. Internet connection and Web browser
3. Clinic NPI and CCN

WHAT YOU'LL GET

1. Telemedicine Industry Report
2. Access to dedicated webinar
3. Clinic Lilypad Award® scorecard

Next Steps

Enter your RHC data into POND
Complete RHC Telemedicine Survey
Attend Next RHC Network Meeting (TBD)

Lilypad® and POND®

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