The LSU Health Care Network

Mission and Vision Statement

The Louisiana State University Healthcare Network (LSUHN) is a multi-specialty physician practice comprised of the distinguished members of the LSU Health and Science Center faculty. Their mission statement is: "to provide our patients with the highest quality, comprehensive medical care through a compassionate, professional, and patient focused healthcare team that is committed to academic excellence." Their vision statement is: "to establishing ourself as the premier multi-specialty, integrated healthcare provider in Louisiana and throughout the southeast United States."

At LSU Healthcare Network, we pride ourselves on our compassionate, professional, and patient-focused healthcare team. Our efforts and team cooperation help make LSUHN's commitment to delivery of quality patient care a reality!

The above information was taken directly from the LSUHCN website, without their written permission

The Network was established to provide the corporate structure to the clinical operations for faculty of the SOM. They handle the leases for space and equipment, the personnel to staff the clinics, central administration, billing and collections and fiscal reporting for the activities of the clinic. The cost of delivering the services are charged back and reported to the departments via the monthly cash statement. The cash statement consists of the production of individual physicians as well as the locations of clinic activity. The departments can utilize this information to assist them in determining the profitability of the various sites where services are delivered.

Reports:

Cash Statement—a report that shows the posting of payments and expenses. The following are definitions for the columns on the cash statement

Payments Posted are the collection of monies during the month for services provided. The payments are not matched for the month collected.

Refunds—monies returned during the month for payments received in error. Example would be co pays collected that were not owed.

Adjustment for UPL—UPL is Upper Payment Limit. A program designed to increase the compensation to physicians for their care of Medicaid patients. The payments are posted quarterly and bring the compensation of the Medicaid visit to the level of the private pay of the practice.

Adjusted Payments Posted is a calculated field that consists of the formula: payments posted – refunds-adjustment for UPL. This is the column that is utilized to calculate the fields that have the expenses based on a percentage of payments received.

Direct Expenses are the costs unique and identifiable to an individual cost center.

Shared Clinical Expense are distributed to a cost center and based on the participation of the physicians at the clinic are equally distributed. Examples of shared costs are: cleaning services, rent for a multi-specialty clinic, phone personnel.

IDX Expense-negotiated rate charged by GE to perform billing and collection component.

Indirect Overhead are the costs of HCN central administration. The cost of administrative office space, insurance, legal and finance and accounting are allocated to all departments, including Baton Rouge and Lafayette based upon pro rate percentage of budgeted cash collections. All other indirect overhead is allocated to NO based departments at a rate of $11,825 per physician. (Caire 9/17/07)

Expenses Compliance/Provider Relations are the expenses associated with the unique unit that delivers the services for compliance and provider relations.

EHR Support are personnel and hardware expenses associated with the delivery and support of the Electronic Health Record.

Capital Fund is a 2% charge of payments posted to be utilized to fund purchases of equipment and other investments for the development of patient care services.

Academic Expenses are non clinical expenses such as offices for residents, clinical trials, space, etc. Departments should have a mechanism for funding these expenses within their SOM Budget.

Enhancement is a 10% charge of payments posted that is part of the faculty plan documents. This money is returned to the SOM to be utilized at the Dean's discretion.

Faculty Supplements are the monies available to the department to fund their faculty supplements.

AR Report—statement of charges, payments and associated analysis. May include patient visits, lag days, payor mix. Very useful data to determine the profitability of clinic operations.

In addition to the production of the cash statements and P/L's for the individual practice site, the HCN performs analysis of the practice from a billing and collection stand point. The following is an example of a report and the uses of the information from an academic business manager/department chair's view point:

I. Income Analysis Summary

	Current Month		YTD	
	Actual	Budget	Actual	Budget
Charges	129,315	305,511	1,948,944	2,637,044
Payments	43,001	100,118	798,455	864,175
Payments less UPL	43,001	100,118	661,055	864,175

The information shows productivity of the staff for the month and YTD based on the fiscal year. The information is useful when determining how the faculty is performing. The variance to budget should be able to be explained. If charges or payments dip significantly from the budget, the business manager should investigate the cause as charges may not be making it to the posting site, the physicians may not be working, or there may be an exceptional amount of charges stuck in TES.

II. Top 5 TES Edits as of Thursday, March 7

Total Dollars **25,915**

EDIT	Count
REG MCD CC PAPER REF NEEDED	91
REG MISS LOC IN HDR OR FTR	12
REG MISS REF PHYS MEDICARE	10
CM EST Established To New Patient	6
CM GDP Post-Op Unrelated Service	6
Top 5 Edits Total	**125**
Other Edits	**28**
Total	**153**

If a charge is sent to the TES system, it cannot be processed until the error is corrected. The edit information shows where the errors are occurring (either physician or registration based). If an increased number of registration errors occur from one month to another, an investigation might yield a front desk employee that needs additional training.

III. Lag Days and Days in AR

Month of Service	$	%
>5 Months	6,737	5%
2006/Sep	1,621	1%
2006/Oct	8,730	6%
2006/Nov	24,546	17%
2006/Dec	44,321	31%
2007/Jan	49,625	35%
2007/Feb	6,707	5%
Total	**142,287**	**100%**

Days in AR	96

Optimally days in AR and lag days should be a low number. If either of them increase significantly an investigation should occur. The goal should be to have a decrease in both of these indicators.

Payor Mix

FSC	Sept 2006 - Feb 2007
MANAGED CARE	36%
MEDICAID	21%
SELF PAY	14%
FREE CARE/INDIGENT	10%
MEDICARE	8%
BLUE CROSS/BLUE SHIELD	8%
COMMERCIAL INSURANCE	2%

FSC	FY2005
MEDICAID	23%
HEALTH MAINTENANCE	18%
SELF-PAY	16%
MEDICARE	13%
PREFERRED PROVIDER ORG	12%
FREE CARE/INDIGENT	8%
COMMERCIAL INSURANCE	7%
PPO/STATE OF LA	2%

The indicators in this section are important in practice management. Shifts in payor mix can severely affect the bottom line.

V. Collections Analysis

Month	Charges	Net Charges	Payments	Bad Debt	Current A/R	Matched Net Collections	
Months 7 - 12	1,807,899	904,495	715,881	198,647	127,368	**79%**	

VI. Accounts Receivables

Current	1 Month	2 Months	3 Months	4 Months	5 Months	>5 Months	Total
12,939	1,541	2,637	15,332	95,246	24,887	559,944	712,526

The matched net collections should approach 100% and the majority of the AR should be in the <3 months box. After 90 days it becomes increasingly difficult to collect the balance. If your majority of the AR is approaching 5 months or greater questions should be raised about what is in that bucket and the documentation should be provided to get those claims paid asap.

Rej 1 Description	$	Count
Claim/service lacks information needed for adjudication	52,534	111
Duplicate claim/service.	29,293	19
The time limit for filing has expired	19,896	18
Services not provided or authorization not obtained	3,509	44
This provider was not certified	2,836	2
Top 5 Edits Total	**108,068**	**194**
Other Edits	**4,597**	**25**
Total	**112,665**	**219**

Denial information is another indicator of poor performance by either the faculty or the HCN. If you have a large number of services not authorized, this is an indicator that the clinic is failing to do its due diligence, or the information contained on the EOB is inaccurate. Often pre certification is not needed for a procedure and the carrier denies hoping that follow up is not done by provider. The charges are often written off without checking the chart. If you have a provider that is not certified, check with provider relations to make sure that the faculty member is on the plan for future instances.

In addition to the summary reports, detailed reports are also generated by HCN for distribution at AR meetings are:

TES Edits by Provider
Charges and Payments
Provider Income Analysis
Location Income Analysis
Patient Appointment Stats, by Location and Physician
Lag Days
Service Analysis
Match Net Charges
Matched Net Charges by Provider
AR Aging
Rejections

Miscellaneous reports

At the request of a department, special analysis reports can be constructed. Examples are:
CPT code by Provider
Patient Demographic Data
Cost Analysis of a Given Procedure

Provider Relations and Credentialing

This process is handled by the HCN with the assistance of the academic staff. As soon as a letter of offer is generated, the process should begin. The business manager should fill out the HCN credentialing request form and send it to Bonnie Wibel. The potential faculty member should return the completed packet immediately as the process can take 60-90 days for completion once all documents are received. Once the faculty member has accepted the position, the completed acceptance along with the completed request for

verification of malpractice needs to be returned to Dr. Letourneau so that malpractice can be verified prior to the faculty member's start date. Hospital Sites, HCN and other needed requests can be addressed with one form. Only original copies will be accepted.

The individual physician packets must be maintained by the HCN with up to date information. Updated copies of state medical license, State CDS, and Federal DEA must be on file and current at all times. It is important that these records be sent to credentialing as soon as they are received to alleviate their having to request them from the department.

Hospital Privileges

It is the responsibility of the department, not the HCN to request privileges at area hospitals.

REQUEST FOR NEW PROVIDER ENROLLMENT PACKET FORM

Incomplete forms, applications and missing documents will be rejected.
Make sure you have all your correspondences completed and attached.

Date of Request: _____ Applicant Start Date:_____

Packet Requested By: _____

Department:_____Section:_____STATUS After Credentialed_____

ADDRESS TO MAIL CREDENTIALING PACKET:_____
Name

_____
Address City State ZIP CODE #

Applicant's Name:_____ Degree:_____

Applicant's Cell Number & Carrier: _____

Social Security Number:_____ Date of Birth:_____

State Professional License #:_____ Place of Birth:_____

Billing Area:_____Percent Effort:_____Medicare#_____

Date contracted with LSU:_____NPI NUMBER:_____Medicaid#_____
(Must have NPI Confirmation Letter)

Clinical Practice Locations:	**Hospital Affiliations:**	**Currently on Staff** Yes	No
☐ Lion's Clinic, 2020 Gravier Street	☐ MCLNO (Charity & University)	☐	☐
☐ 2820 Napoleon Avenue	☐ Ochsner	☐	☐
☐ 200 W. Esplanade Avenue	☐ Ochsner Kenner Regional Medical Center	☐	☐
☐ 200 Henry Clay Avenue	☐ Meadowcrest Hospital Ochsner	☐	☐
☐ 4200 Houma Blvd	☐ East Jefferson General Hospital	☐	☐
☐ 3401 North Blvd., Baton Rouge	☐ Children's Hospital	☐	☐
☐ 5825 W. Airline Hwy; Baton Rouge	☐ Touro Infirmary	☐	☐
☐ 2390 W. Congress Street; Lafayette	☐ University Medical Center (in Lafayette)	☐	☐
☐ Other:_____	☐ Earl K. Long Medical Center (in Baton Rouge)	☐	☐
☐ Other:_____	☐ Woman's Hospital (in Baton Rouge)	☐	☐
(P = PRIMARY OFFICE & A = ALTERNATE)	☐ Baton Rouge General	☐	☐
	☐ Other:_____	☐	☐

**** RETURN FORM WITH THE PRACTITIONER'S CV (MONTH, YEAR SPECIFIC), CURRENT LA Medical License, LA CDS & Federal DEA****

IN OFFICE USE ONLY:

Date Request Received:_____ By: Fax Mail Email

Date Packet Sent to Department:_____ By: Campus Mail In Person

Packet was sent to:_____