

**Health Center
Productivity and Revenue Analysis**

		Current	AMA Benchmark Median Data	
Section I: Productivity of Health Center Physicians compared to AMA				
RVU	High	8179	75th	9518
	Avg	7069	Median	7773
	Low	6011	25th	6412
Visits	O/P Avg	3995	Median	4396
	I/P Avg	<u>743</u>		<u>347</u>
	Total I/P & O/P	4738	↔	4743
Note: Providing Inpatient visits is a requirement of the Community Health Center				
Work Week				
	Office Hrs	32	Median	35
	I/P Minimum	4		3
	Minimum Hr	36		38
Weeks of work required per year based on experience in the field				
	< 3 years	46		48
	Over 3 yrs	46		47

Section II: Estimated impact to RVU's with work weeks aligned to match AMA				
The following presents Health Center's current average of RVU's for the two categories presented in AMA's work week requirement				
	Annual Average		Per Week Average	
< 3 years	6789		148	
Over 3 yrs	7350		160	
The following demonstrates the potential increase to RVU's per physician by aligning the expected work week requirement with AMA				
	Adj. Annual RVU	Increase	Work Wks/Yr	
< 3 years	7084	295	48	
Over 3 yrs	7510	160	47	
Avg/Phys	7300		7773	◀ AMA median

██████████ Health Center
Recap of MGMA Comparative Data per FTE Physician

	██████████ Health Center	-----MGMA Cost Survey-----	
		Family Physicians Not Hosp Owned	Multispclty PCP--Not Hosp Owned
Mid Level Prov	0.40	0.38	0.29
Employed Staff			
RN/LPN/Medical Assistant	2.32	1.60	1.68
Clinical Lab	-	0.34	0.37
Radiology & Imaging	-	0.21	0.23
Other Medical Support	0.68	-	0.20
Total Medical Support	<u>3.00</u>	<u>2.15</u>	<u>2.48</u>
All Other Admin	2.15	2.45	2.44
Total Employed	5.15	4.60	4.92

Comment:

Overall the staffing patterns at ██████████ are in line with reported median staffing from the MGMA Cost Survey information. Staffing for ██████████ includes resources for special services such as nutritionist and translation services.

Gross Charges per physician	\$516,315	\$ 568,302	\$ 609,646
Medical Revenue per FTE Phys.	361,421	\$ 432,750	\$ 474,838
Estimated collection ratio	70 %	76%	78%

Comment: As part of the revenue per FTE it is important to note the demographics of the population served. The following represents a comparison of the % of gross dollars for Charity Care. Note the significant increase in charity care represented in ██████████ statistics. The ultimate impact of these statistics is reduced revenue per physician.

Low Pay/Non-Reimbursed Care

Charity Care	8.00%	1.00%	0.65%
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Analysis of Practitioner Staffing at Family Practice

Practitioner Hours/Week:

2002 - 248

↓ 1.4 practitioners

2003 - 204

Spanish Speaking Practitioners/Hours/Week:

1999 - 168

2002 - 114

2003 - 64 (not accepting new patients)

Departing Spanish Speaking Practitioner's Patients:

70% - insured

50% - < 22 yrs old

Options:

- 1) Hire Spanish Speaking Pediatrician

Pros

Spanish speaking
Community leader/KHC philosophy
Team player
Previous Medical Director
Clinically competent (outpatient)
Has worked in primary care settings
Gives KHC patients choice to choose pediatrician
Less risky than opening Pediatric practice
Will take phone call (1:4) weekends

Cons

Only see patients < 22 yrs. Old
Previously not successful with Pediatrician on staff
Won't take medical call

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Section III: Assessing the Impact of Reducing the number of Physicians providing services		
Scenario 1: The lowest producer is removed from the practice statistics. Variables such as hours worked and vacation scheduled are not considered for this analysis.		
	RVU per Phys	AMA Median
Curr Avg	7069	
Adj Avg	7221	7773
Scenario 2: The productivity of the remaining physicians increases to cover the RVU's currently produced by the lowest producing provider		
Adj Avg	8294	7773
Comment:	The new average exceeds the AMA median by → 7%	
Scenario 3: The average RVU's per physician increases to AMA median standard, and the average charge per RVU remains constant.		
Curr Avg	\$ 516,315	} Anticipated Change to Revenue with Physician Reduction and RVU increased to AMA \$ 156,377
@ 8 Phys	\$ 4,130,520	
Avg RVU	7069	
Chg/RVU	\$ 73	
Adj Avg RVU	7773	}
Adj Avg	\$ 567,735	
@ 7 Phys	\$ 3,974,143	
The following represents the staffing required to generate the gross charges/RVU's required to maintain the current level of revenue		
Gross Charge Shortfall:	\$ 156,377	
Average Charge per RVU	\$ 73	
Additional RVU's required:	2,141	
Representative FTE:	0.28	