
Alta Medical Management Overview

Alta Medical Management Business Model

Collect more money, more quickly with
higher patient satisfaction

People

Process

Technology

Philosophy

Philosophy

In order to improve the profitability of the practice, billing cannot be considered the black box. It must be tightly integrated into all aspects of the practice.

- Communication and closed feedback loops are crucial to improving performance.
- Apply lean process and continuous improvement philosophy to medical management, business processes, and billing functions.

Client "A" 6 month improvement

	Previous Billing 1/06 - 5/06	Alta Medical 6/06 - 12/06	Change
Encounters			
<i>Clinic</i>	6,676	3,831	
<i>Monthly Average</i>	556	547	-1.7%
Charges			
<i>Clinic</i>	\$ 892,452	\$ 530,914	
<i>Monthly Average</i>	\$ 74,371	\$ 75,845	1.9%
<i>Per Patient</i>	\$ 133.68	\$ 138.58	\$ 4.90
Adjustments			
<i>Clinic</i>	\$ 309,320	\$ 128,041	
<i>Monthly Average</i>	\$ 25,777	\$ 18,292	-40.9%
<i>Per Patient</i>	\$ 46.33	\$ 33.42	\$(12.91)
Payments			
<i>Clinic</i>	\$ 583,132	\$ 402,873	
<i>Monthly Average</i>	\$ 48,594	\$ 57,553	15.6%
<i>Per Patient</i>	\$ 87.35	\$ 105.16	\$ 17.81
DRO			
	88 Days	28 Days (December)	-68%



DRO is Days Receivable Outstanding – the days from date of service to date of payment

Client "B" 6 month improvement

	Previous Billing 1/06 - 7/06	Alta Medical 9/06 - 1/07	Jan-07	Change
Encounters				
<i>Clinic</i>	5,577	2,838	515	
<i>Monthly Average</i>	465	405	515	10%
Charges				
<i>Clinic</i>	\$ 3,514,087	\$ 1,448,381	\$243,046	
<i>Monthly Average</i>	\$ 502,012	\$ 206,912		-25%
<i>Per Patient</i>	\$ 630.10	\$ 510.35	\$ 471.93	\$ (158.17)
Adjustments				
<i>Clinic</i>	\$ 1,869,693	\$ 982,111	\$123,809	
<i>Monthly Average</i>	\$ 267,099	\$ 140,302		-28%
<i>Per Patient</i>	\$ 335.25	\$ 346.06	\$ 240.41	\$ (94.84)
Payments				
<i>Clinic</i>	\$ 1,047,413	\$ 850,750	\$144,205	
<i>Monthly Average</i>	\$ 149,630	\$ 121,536		49%
<i>Per Patient</i>	\$ 187.81	\$ 299.77	\$ 280.01	\$ 92.20
Accounts Receivable				
<i>Ending AR</i>	\$ 942,631	\$ 427,779	\$446,719	\$495,912
				-53%
DRO	64 Days	40 Days (December)	40	-38%



DRO is Days Receivable Outstanding – the days from date of service to date of payment

Increase Your Revenue

Current State		Future State	
Annual Collections	\$ 952,000.00	Annual Collections	\$ 952,000.00
Software Lease (\$1,700/mo)	\$ 20,400.00	Collections Increase (7%)	\$ 66,640.00
Software Maint (\$900/mo)	\$ 10,800.00	New Annual Collections	\$ 1,018,640.00
(2) Billing FTE (\$5,000/mo)	\$ 60,000.00	Alta Medical Fee 8%	\$ 81,491.20
IT Infrastructure	\$ 2,400.00		
Space Utilization	\$ 1,200.00		
Transcription (\$2,700/mo)	\$ 32,400.00		
Annual Billing Costs	\$ 127,200.00		
Billing Cost Reduction	\$ 94,800.00		
Gross Revenue Less Billing Costs	\$ 857,200.00		\$ 937,148.80
Annual Improvement to Practice Revenue		\$ 79,948.80	

- The revenue increase is a net revenue increase to the practice.
- Our billing fee is a variable, not a fixed cost.

Alta Medical Management Focus

- High patient satisfaction
- Increased profitability
- Business process improvement

High Patient Satisfaction

- Phone calls from patients are answered promptly and courteously by our highly-trained staff.
- Your patients will talk to a live person from 8:00am-5:00pm, Monday through Friday.
- Patients receive prompt and accurate statements.
- Patient statements are mailed daily, not monthly. This increases patient satisfaction as well as practice profitability.
- Check-in is made fast and accurate through advanced scanning of driver's license and insurance card(s) – currently being piloted
 - Eases front desk burden during turnover
 - Provides more consistent, accurate information into system

Increased Profitability

- Lean process concepts are applied to the billing workflow to guarantee:
 - Fewer denied claims
 - High accuracy
 - Quickest, highest reimbursement
- Benefit from fewer days in A/R because insurance claims and patient statements are sent daily.
- Your reimbursement is maximized by comparing insurance payments to the contracted fee schedule. Any non-compliant reimbursements are automatically re-submitted.

Business Process Improvement

- Accurate and planned implementation
- Full access to software, data and reporting for real-time information
- Personal, monthly meetings to review billing and determine areas for improvement
- Focus on improving metrics and processes each month
- Complete credentialing services included

Summary

- The mission of Alta Medical Management is to get our physician clients paid more money, more quickly.
- We will conduct a complimentary practice analysis to determine if your profitability can be increased.

Contact

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