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Website
<http://www.mpi-llc.com>

Email
info@mpi-llc.com

Phone & Fax
(631) 476-0635

Mail
PO Box 506
Port Jefferson Station
NY 11776

Welcome to the first installment of the MPI Advisor, a free informational service column written with the intention of providing useful Practice Management concepts and literature links designed to assist physicians in the daily operation and long-term strategic planning initiatives of their medical practice.

Each quarter, Medical Practice Initiatives will report on an issue or topic of relevance to your practice's operation, efficiency or profitability.

"Professional Practice Management Consultants and their impact on Private Practice and the Healthcare Industry"

"Professional Practice Management Consultants" have become popular among many physician groups as well as some solo-practitioners. They can be extremely helpful in providing a considerable amount of experience and advice in a variety of Administrative areas including: Human Resources, Financial Management, Compliance, Strategic Planning, Marketing, Management Information services and Practice Management.

Practice Consultants often bring relevant past management experience which can result in an increase in operating efficiency and profitably. Their services can be utilized periodically, or on a regular basis. Due to the nature of their services, Practice consultants are not subject to the same benefits afforded to regular employees, therefore, substantially reducing overhead otherwise associated with regular office staffing.

Masters Degree programs including Master of Business Administration, MBA, or Master of Healthcare Administration, MHA typically educate Practice Consultants. Moreover, professional societies and groups such as the American College of Medical Practice Executives, ACMPE, and the Medical Group Management Association, MGMA support continuing healthcare education for Practice Consultants and provide them with the most current information in the industry.

Before you hire a Practice Consultant, be prepared to ask three fundamental questions. How can he/she best address issues faced by your practice and how will they implement an action plan? Does the Practice Consultant listen to your concerns and needs and what you would like to get out of the experience? Finally, how will he/she charge you for services rendered?

Make sure that the Practice Consultant is able to comprehend and diagnose the source of the problem. All too often, industry consultants get retained by clients and do not diagnose the problem effectively. What you must come away with after your first meeting with a Practice Consultant is that he/she has a grasp of the problem and your concerns. Make sure that you are satisfied with his/her ability to expedite matters. Completion of the project should invariably require multiple meetings with one or more partners and/or staff. Make sure that your Practice Consultant is able to communicate the goals with the key players in your practice.

Finally, how will your Practice Consultant charge you for his/her services? The most common structure among consultants is an hourly rate plus travel. Others charge by the project. If you are being charged hourly, make sure you have some definitive timeline established in which to complete the project. Monitor his/her progress to ensure that you are not paying for services not provided.

Practice Consultants have dramatically added value to the healthcare industry. Today, more than ever, physicians across the country are dealing with increased administrative requirements and decreased fees for services set forth by insurers. Physicians need the assistance of an ally that can coordinate resources and utilize management skills to monitor a practice's financial potential and help to create value by increasing profitability. Practice Consultants do just that. They bring to the table a myriad of different skills in the areas of Human Resource, Financial, Billing, Compliance, Strategic Marketing and Planning, Professional Governance, Risk Management and Information Systems Management. All of which are used to create a more efficient, and profitable working environment.