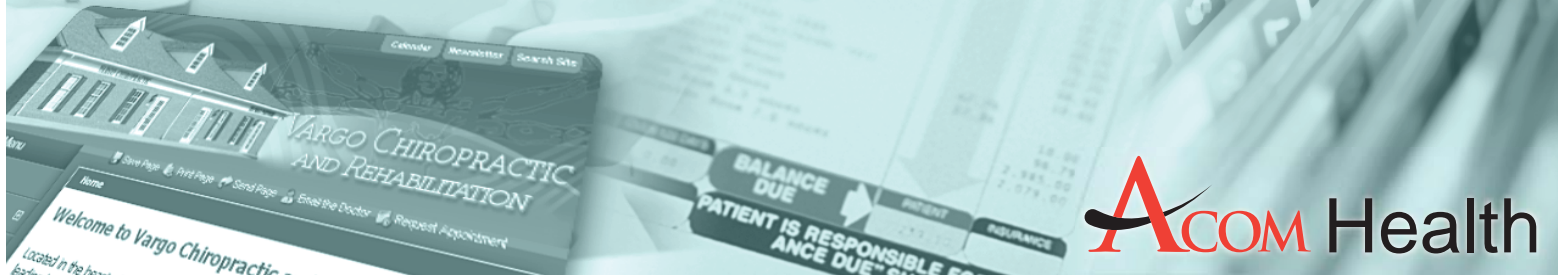


SUCCESS STORY



Dr. Ronald J. Vargo, D.C.

THE PROBLEM

The Canton-Ohio physician observed a significant increase in Medicare/Medicaid audits and was determined to protect his clinic against them.

THE SOLUTION

Dr. Vargo encountered ACOM Consulting at a seminar, and impressed by their professionalism, asked them to identify what needed fixing and to devise a plan to assure compliance.

THE RESULTS

The compliance issue in hand, ACOM focused on revenue-building. With more services, more effective coding and billing, a more realistic (higher) fee structure and re-engineered workflow, the clinic increased income with fewer patient visits.

Doctor Seeks Compliance; Finds Gold

Dr. Ronald J. Vargo, D.C. practices in Canton, Ohio, currently one of the most economically distressed cities in the United States. Although the historic rust-belt community continues to experience its post-industrial pains, Dr. Vargo meanwhile has built a thriving practice that looked REALLY GOOD until he found out recently how much better it COULD be. He is now implementing a plan to achieve an all-new set of goals.

A 1989 graduate of Palmer Chiropractic College, he opened Vargo Chiropractic and Rehabilitation in 1996 after spending five years in another doctor's clinic. On his own, he quickly developed a steady patient load of approximately 950 patient visits per month, providing him with the balance of income and comfort level at which he wanted to operate as a solo practitioner.

"We were charging too little and giving away too much. I didn't have the guts to raise my fees..."

Vargo Chiropractic and Rehabilitation is essentially a family practice with a revenue blend of about 30 percent cash, 45 percent insurance reimbursements and about 15 percent mix of personal injury and workers compensation. Besides himself, Dr. Vargo's staff is comprised of two front office people, two insurance claims processors and one exercise physiologist who specializes in active rehabilitation.

Unintended consequences

Over time, Dr. Vargo observed that ever more doctors were being subjected to Medicare audits, something he did not want to deal with. He sensed that there were probably things he was not doing properly and resolved to fix them before it was too late. Fix them he did, calling in the ACOM Healthcare Business Consulting Group to coach him in proper coding and billing.

"The impact on the staff was remarkable: they became part of the process and they signed on enthusiastically to all of the suggestions made."

The unintended consequences were that his business practices improved; his income increased dramatically with no increase in patient load; he has expanded his practice's rehabilitation offerings; and he even achieved a long-held objective of trimming his practice operations to four days a week. And after a mere five months, in September 2008 his practice's monthly revenue jumped by more than one-half to top \$60,000 versus the \$40,000 he was averaging each month prior to engaging ACOM.

“One of the most important things we accomplished is that I gained the confidence to charge fully for what we did at the clinic.”

Practice Benefits

- Precise coding
- Greater billing confidence
- Revised office form set
- Streamlined office processes
- Enthusiastic staff buy-in
- Four-day workweek

Financial Benefits

- 42% more revenue per patient visit
- More income with fewer patients
- Fewer insurance claim challenges

Dr. Ronald J. Vargo, D.C.

Founder of Vargo Chiropractic and Rehabilitation



▶ **CLICK BELOW TO PLAY**

Listen to:

what Dr. Vargo had to say about his experience with ACOM's Healthcare Consulting Group.

- ▶ *What led you to call in ACOM Consulting in the first place?*
- ▶ *What stands out in your mind about the benefits of ACOM Consulting Service?*
- ▶ *What impressed you about the ACOM Consulting Service?*
- ▶ *What is this going to mean for your practice in the future?*

On-site Attention

“When ACOM came on-site – the first coach/consultant ever to do so – they looked at everything from coding and billing practices, patient flow and staff assignments, down to such small details as a rip on an exam table or old-looking forms,” Dr. Vargo says. “The impact on the staff was remarkable: they became part of the process and they signed on enthusiastically to all of the suggestions made.”

“Our clinic typically collected in the high \$30.00s to the low \$40.00s per visit ... after engaging with ACOM Consulting, we are averaging \$57.00, with a goal of \$60.00...”

To address the initial issue – the possibility of audits – Dr. Vargo and his staff received an intense education in proper coding and billing practices. In the process of assuring compliance, they learned that in fact, they often were charging too little for services performed and that they were routinely failing to charge at all for some of their services. ACOM's recommendations included, among others:

- Get and stay current with the CPT codes
- Increase the number and types of rehabilitation services offered
- Revise virtually all of the forms in use, among them Intake, Evaluation Reports, Goals and Treatment Plans, Reevaluation Reports

The Road to Confidence

“One of the most important things we accomplished,” Dr. Vargo says, “is that I gained the confidence to charge fully for what we did at the clinic. We were charging too little and giving away too much. I didn't have the guts to raise my fees; but now, I not only charge as I should but if contested I can go to the insurance company with the evidence I need to make my case.”

Dr. Vargo reviewed all his records back to opening day and found that their September 2008 collections set an all-time monthly record, even as the clinic was treating fewer patients.

“Our clinic typically collected in the high \$30s to low \$40 per visit,” he says. “Now, after engaging with ACOM Consulting, we are averaging \$57.00 and ACOM has set us a goal of \$60.00. It is clear that we can achieve this and ACOM continues to help us along the way.”

It isn't just one thing, the doctor says: rather it is the combination of greater coding discipline, including the unbundling of chargeable treatments; a more realistic fee structure; more treatment options; and fighting for what's right when you have to.

“We were just looking to protect our clinic against audits,” Dr. Vargo says. “What a surprise to find that we could increase revenues so dramatically while actually reducing our treatment load.”

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