Ancillary Revenue
Past, Present, Future
Today’s Driving Forces

- Declining Reimbursement
- Inability to add additional patient volumes
  - Practice Expansion
  - Increasing the Top Line
- Increasing Overhead
- Declining Physician Incomes
- Capital Available to Add Ancillary Services
- Patient Volume to Support New Ancillaries
Past and Present

• In the Past
  – Ancillaries Were Highly Profitable

• Present
  – Profitability Has Fallen, Especially for Infusion and Imaging Services
  – What Are Practices Doing Today to Add Ancillary Revenue?
    • Questions to ask before adding any new service line
Questions to Ask

- Is there a demand for the service?
- Is someone else in the community providing the service?
- Can I do it better than the competition?
- How will it impact my current patients and staff?
- How will it affect my time?
- Will I get reimbursed?
- Where is the break-even point?
- How long will it take to meet my market potential?
Primary Care

- Tobacco Cessation Counseling
- Home Health and Hospice Care Plan Oversight
- Prostate Cancer Screening
- Prolonged Service for Inpatient Care
- Physical Therapy
- Ankle Brachial Index Testing – Detect Peripheral Artery Disease
- Cosmetics
- Welcome to Medicare Visit
Primary Care

- EMG Testing
- Depression Testing
- Urodynamics
- Electrical Stimulation
- Vestibular Testing
- Sell Supplements
- Continuous Glucose Monitoring
- Acupuncture
- Concierge Medicine
Primary Care

• Medicare Annual Wellness Visit (AWV)
• Leasing a technician to perform allergy scratch tests and allergy shots in the office
  – ENT
  – Pulmonology
• Dermatologic Services (CPT 17000, 17003, 17110, 11042, 11200, 12001)
• Flu Clinic
Primary Care

• Medicare - Alcohol Misuse
  – This screening is covered for primary care providers, including nurse practitioners, in the office setting. It also includes four behavioral counseling sessions annually, furnished by the primary care provider, for patients who screen positive for alcohol misuse.

• Clinical Trials

• Pharmacy
Primary Care

THE AWAKENING OF A SLEEPING GIANT
Orthopedics

- Physical Therapy
- Physical Therapy Specialization
  - “Titlest Certified”
- Imaging (Xray, MRI, CT)
- DME Programs
- Nerve Conduction Studies (EMGs)
- Ultrasound
- Surgery Center
- Prompt Care Clinic
Gastroenterology

- Obesity Treatment
  - Medifast Program
- In-House Endoscopic Room
- CT Colonography
- Remicade Infusion
Cardiology

- Gym
- Cardiac PET
- Anti-Coagulation Clinic
- Vascular Ultrasound
- Cardiac MRI/CT
- Cardiac Event Monitoring
- Hypertension Clinic
- Nutrition Counseling
Endocrinology

- Education Programs for Weight Management
- Obtain Designation as a Certified Diabetes Education Center
- Research
- Medical Home for Diabetics
- Continuous Glucose Monitoring
Endocrinology

- Thyroid Ultrasound
- Ultrasound Guided Thyroid Biopsy
- DEXA
- For Larger Practices – Podiatry Services
Ob/Gyn

- Do All Ultrasounds – breast, thyroid, gallbladder, renal
- Fetal Non Stress Testing
- DEXA Scans
- Urodynamic Testing
- Sell Breast Pumps
- Botox/Laser Hair Removal
- Weight Loss Management
Ob/Gyn

• In-Office Procedures
  – Bilateral Tubal Ligation for Permanent Contraception
  – Labiaplasty
  – Vaginal Rejuvination

• InterStim Therapy – For Overactive Bladder

• DEXA Scanning
Ear Nose Throat

- CT Testing
- Balance Testing
- Hearing Aids
- Cosmetic Injections
- Allergy
- Vestibular Rehabilitation
- Speech Therapy
Infectious Disease

- Office Based Infusion Center
  - IV Antibiotics
  - IVIG - Infusion of IgG antibodies only
  - Hydration

- Travel Clinic for International Travelers
  - Health Concerns in the area
  - Yellow Fever Summary
  - Other Immunization Recommendations
  - Travel Advisory
Infectious Disease

• Travel Clinic for International Travelers
  – Travel Tips
  – Consular Information
  – Insect Precautions

• Hyperbaric Oxygen Therapy (Wound Care)
General Surgery

- Vein Schlerotherapy
- Breast Ultrasound
- Vascular Ultrasound
- Gastric Bypass Procedures
- Development of Breast Clinic
- Clinical Trials
Plastic Surgery

- Botox Parties
  - Residences
  - High End Salons
- Post-Operative Supply Bags – Everything Patients Needs for Their Post-Op Care
- Latisse – Grows Eyelashes Thicker
- Axis III Imaging – How Patient Will Look with Different Types of Implant
Neurosurgery

- Sports Medicine Center
  - Concussion Program
- TBI Clinic - Traumatic Brain Injury
- Cyberknife Treatment
- Stroke Program
  - Endovascular Procedures
  - Support Services
- Neuroscience Program Development
Other Specialties

- Glaucoma Screening for High Risk Patients - Ophthalmology
- MRI - Rheumatology
- In-House Pathology Lab – Dermatology
- Pharmacy – Dermatology
- Breast Specific Gamma Imaging (BSGI) – Radiology, Ob/Gyn, General Surgery
- Weight Management - Rheumatology
Other Specialties

• Clinical Trials - Oncology
The Future

- ACOs
- Bundled Payments
- Capitation
ACOs

A legal entity recognized and authorized under applicable state law, as identified by a Taxpayer Identification Number, and comprised of an eligible group of ACO participants that work together to manage and coordinate care for Medicare fee-for-service beneficiaries and have established a mechanism for shared governance that provides all ACO participants with an appropriate proportionate control over the ACO’s decision-making process.
Shared Savings – Show Me The Money!

1. In order to receive a percentage of its savings, an ACO must:
2. Exceed a minimum savings rate
   Meet minimum quality performance standards;
   and
3. Retain eligibility in the MSSP.
ACO Shared Savings

Calculation of Savings and Losses - Savings/Losses calculated by CMS, based on per capita average of Medicare Part A & B expenditures (ACO benchmark and actual expenditures subject to risk adjustment based on Medicare Advantage risk adjustment tool).

“A useful way to view the benchmark is as a surrogate measure of what the Medicare FFS Parts A and B expenditures would otherwise have been in the absence of the ACO.”
The Future

What does all of this have to do with ancillary and other physician services?