EXECUTIVE DECISIONS IN

DERMATOLOGY

DECEMBER & JANUARY 2021

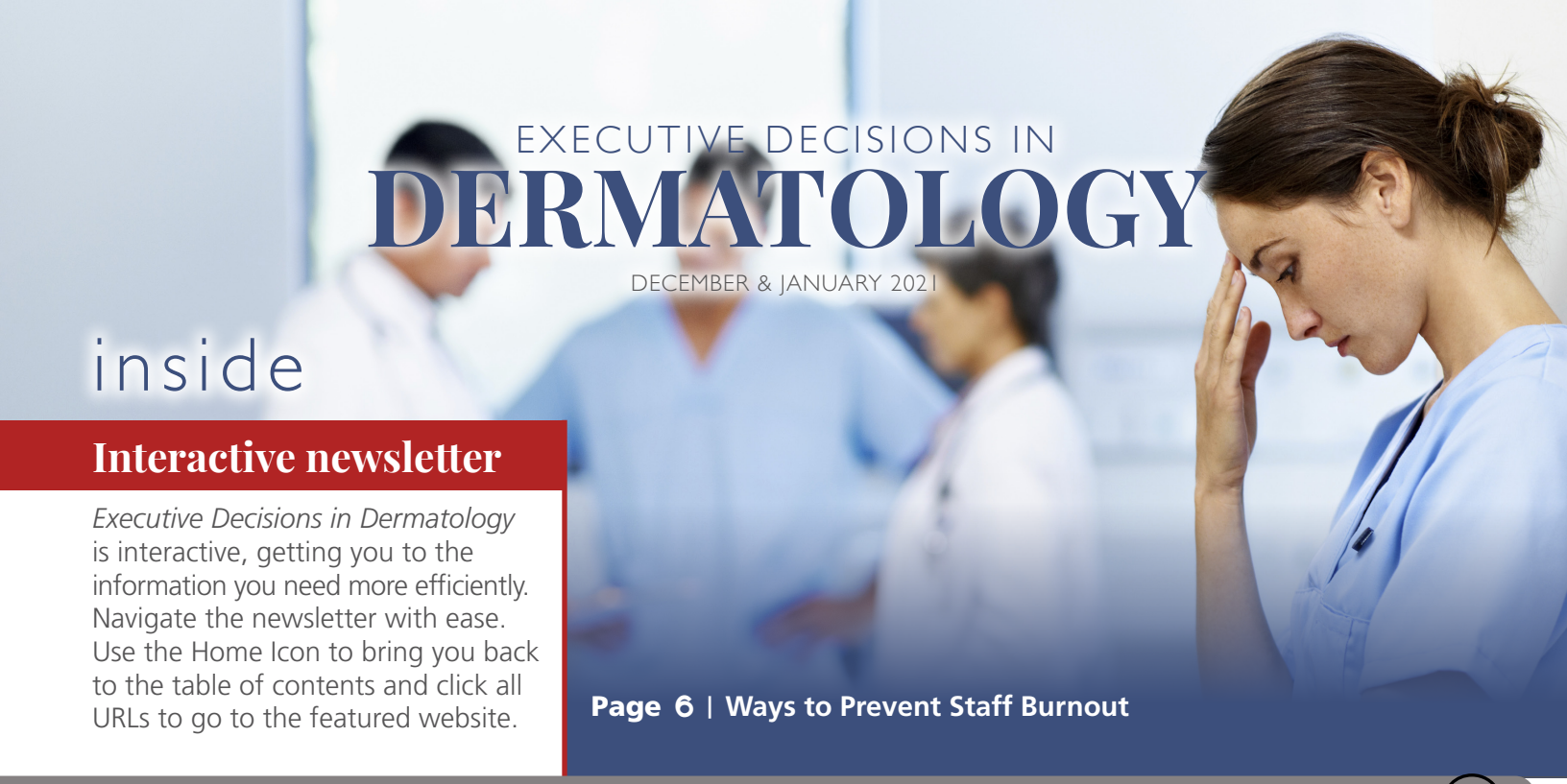
Issue Focus: Building Your Team

NAVIGATING COVID-19 RECOVERY

INTERACTIVE NEWSLETTER

ADAM

Association of Dermatology Administrators & Managers



EXECUTIVE DECISIONS IN
DERMATOLOGY
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inside

Interactive newsletter

Executive Decisions in Dermatology is interactive, getting you to the information you need more efficiently. Navigate the newsletter with ease. Use the Home Icon to bring you back to the table of contents and click all URLs to go to the featured website.

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Interactive elements are highlighted in color and bold throughout the issue!

Executive Decisions in Dermatology is a bi-monthly publication of the **Association of Dermatology Administrators & Managers (ADAM)**. ADAM is the only national organization dedicated to dermatology administrative professionals. ADAM offers its members exclusive access to educational opportunities and resources needed to help their practices grow. Our 600 members include administrators, practice managers, attorneys, accountants and physicians in private, group and academic practice.

*To join ADAM or for more information, please visit our website at **ada-m.org**, call **866.480.3573**, email **ADAMinfo@samiworks.net**, fax **800.671.3763** or write Association of Dermatology Administrators & Managers, **5550 Meadowbrook Drive, Suite 210, Rolling Meadows, IL 60008.***

ADAM
Association of Dermatology Administrators & Managers

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President's Corner

The memorable year of 2020 is coming to a close. Many of our practices survived by rallying our teams to overcome the relentless challenges this year brought our way. As the impacts of the pandemic continue, the teams we built are helping us pull through. Teamwork improves efficiency, productivity and brings better business results. Having a strong team boosts morale, improves motivation and relieves stress — which we all need more of these days. Working together also facilitates idea generation, allowing us to creatively problem solve in these unprecedented times.

In this issue of ***Executive Decisions in Dermatology***, we share how staff comradery can support a stronger company culture, ways to prevent employee burnout and touch on incentives to keep us motivated. Also, a few of your ADAM Board members reveal how they build team environments in their own offices.

Featured articles include:

- **Encouraging Workplace Comradery During a Pandemic to Keep Company Culture Thriving**
- **Ways to Prevent Staff Burnout**
- **Establishing Incentives for Practice Administrators**
- **Ask the Lawyer: Employment in the Age of COVID-19**
- **BOD Interview: Describe how you build a team environment in your office.**

In addition to strengthening your internal teams, we are working hard to build strong camaraderie within the ADAM membership. Our goal is to offer a wealth of resources to help you grow your professional network. Many of you joined **our recent live webinar** featuring Immediate Past President Tony Davis and current BOD Secretary/Treasurer Bill Kenney. This webinar series offers interactive discussions via Zoom where the panel and attendees share experiences and advice on various topics. In the most recent webinar, we discussed strategies and best practices during this pandemic recovery period. If you missed it, you can **access the on-demand recording on *ada-m.org***.

Another way to increase your ADAM team reach is by participating in our exclusive ADAM Member Facebook Group. See **page 12** for samples of current conversations. Reach out to your peers with questions on how they are building their own teams, EMR systems, HR challenges and more. This group provides instant access to your fellow ADAM members in just a few clicks from any device. Take advantage of these amazing resources to connect with your colleagues.

I invite you to share your expertise and experiences by authoring an article in this very publication. Provide advice you wish someone would have given you years ago or give insight on how you creatively solved a practice management concern. All ideas are welcome and can be **submitted online**.

If you haven't visited the ADAM website lately, click on over to ***ada-m.org***. You'll see a refreshed design with the addition of many member photos. Are you included in any of the shots? We've also updated the **ADAM Resource Library** with new content including marketing tips for aesthetic practices, skin biopsy coding, being cybersmart and much more.

Many of us are grateful to see this year in the rear view mirror. And in the spirit of gratitude, we are thankful for each and every ADAM member. You are what makes this organization great. Enjoy a safe and happy holiday season as we work together to make a brighter new year ahead!

Janice Smith

Warm regards,
Janice Smith, *ADAM President*

P.S. 'Tis the season for ADAM membership renewal! **Log into your member profile** to renew so you won't experience any disruption of your ADAM member benefits. ■

Encouraging Workplace Comradery During a Pandemic to Keep Company Culture Thriving

By Tandem HR

Raise your hand if you're tired of hearing about COVID-19, the pandemic, social distancing or quarantines. I know you can't see it, but our hands are waving high in the air. And, if popular memes and viral videos are any indications, so are most Americans'.

Unfortunately, the reality is that the pandemic will not be going away any time soon. We've all had to adapt to a new normal, and this includes how we socialize. The workplace is no exception. There are so many benefits to social interaction at work that we must consider how the pandemic will affect these areas.

Why is social interaction at work so beneficial, and how does it impact the bottom line?

Retention — Employees who have quality relationships built within an organization are more likely to be attached to the organization. Those employees are less likely to leave, contributing to lower turnover.

Productivity — In collaborative settings, social interaction leads to knowledge sharing and productivity spillover. **In this article**, experts suggest that social interactions like after-hours events or non-work functions naturally foster knowledge share among colleagues.

Engagement — Social interactions play an essential role in employee engagement. According to this **Gallup 2015 study**, organizations with higher employee engagement levels also boast lower business costs, improved performance, lower turnover and absenteeism and fewer safety incidents.

Mental health & wellbeing — Humans naturally crave connections with other people. In fact, **Abraham Maslow's hierarchy of needs** includes belongingness as a significant psychological need associated with human behavior. With a majority of an adult's day spent working, you can imagine that positive relationships and a sense of belonging have a significant impact on an employee's wellbeing.

We've determined relationships and the social dynamic in the workplace is important. So, what are some creative ways you can foster those relationships among employees with the pandemic's limitations on our get-togethers?

Form cross-departmental teams whenever possible.

In fact, why not start with creating one with the mission of developing social or team-building type activities for the whole company? However, it doesn't have to be for social or extracurricular activity purposes. Which of your organizational projects could benefit from cross-departmental collaboration? Working with a different set of employees helps form new relationships. It gives colleagues experience working alongside different personalities with a different set of talents and experiences to share.

Include a short social time at the beginning of meetings.

If it is a meeting of individuals who regularly get together, plan the discussion topic. For example, ask each attendee to name the song that describes how their week is currently going. Alternatively, you could ask attendees to share a funny story that happened to them with the meeting moderator. At the beginning of each meeting, the moderator can share one story while attendees guess whose story. These activities can give employees a brief, much-needed break from thinking about work activities while simultaneously giving them a platform to get to know each other better on a personal level.

Use video platforms whenever possible.

It's much easier to replicate a face-to-face meeting when using video technology than the telephone. Seeing people's faces adds a critical element to relationship building.

Encourage group instant messaging.

It could facilitate a quicker conversation than a series of emails and feels more like chatting over a cubicle wall.

Host social events.

There are many creative ideas and incredible technology platforms to assist with hosting virtual events. You could organize a happy hour using Zoom or Microsoft Teams. Maybe your employees prefer to play games. Check out group game platforms such as Jackbox.tv or Trickster cards. Perhaps your company culture is more aligned with hosting a book club meeting. Have a plan to get things started but commit to letting the event go where it takes you. For example, you may start a book club meeting discussing a novel hot off the press and find the discussion going in a completely different direction. The idea is that employees attend and discuss non-work-related topics, thereby getting to know each other personally.

Talk about the pandemic.

We know we just said we were tired of hearing about it. However, the reality is that it is affecting your employees in every area of their lives. Some may have kids remote learning. Ask how that's going. Others may be struggling with the isolation and lack of social events and activities. Share ideas on how to connect. The pandemic has made it more difficult to shop, travel, take care of loved ones and celebrate holidays and special occasions. Although everyone is dealing with the same pandemic, we're all dealing with it in unique ways. We are all mentally impacted differently. Allow your employees the platform to talk about what's going on in their lives. It shows you care and allows them to vent and discuss potential solutions.

It's critical that you recognize the importance of social interaction in the workplace — and, in a virtual work environment, organize ways for them to happen in a way that aligns with your company culture and values. ■

TANDEM HR

The HR experts at Tandem HR contributed to this article. Tandem HR is an IRS certified professional employer organization (CPEO) providing custom, high-touch human resource solutions to small and mid-size businesses. Our HR experts allow executives to focus on growing their business while we manage the administrative aspects of human resources like payroll processing, benefits administration, compliance, risk management, employee relations and much more. Learn more about how Tandem HR can have a significant impact on your business at **TandemHR.com** *or 630.928.0510.*

Ways to Prevent Staff Burnout

How Automation Can Help Drive Success

Kimberly Schusler is the Financial & Clinical Solutions Engineer at Modernizing Medicine and a former practice manager and administrator. She has been with Modernizing Medicine for a little over two years, bringing with her 30+ years of experience in the medical field. This experience ranges from Orthopedic and DME sales, pharmaceuticals, diagnostic imaging and as a practice manager for two separate outpatient physician practices.

By Kimberly Schusler

Staff burnout is a prevalent issue that continues to affect dermatology practices at an alarming rate. Longer shifts and excessive workloads due to inefficient, error-prone manual processes have strained the work-life balance of dermatologists and their staff, reducing efficiency and potentially leading to high turnover rates. In my 30 years of experience in the medical field, I have observed that burnt out physicians and office staff who continually miss family time due to an ever-rising pile of paperwork isn't good for practice morale -- not to mention patient care.

Burnout isn't new to dermatology. A **2014 Mayo Clinic study** revealed that dermatologists had the largest three-year increase in burnout of any medical specialty, rising from 32% in 2011 to 57% in 2014. In the six years since, burnout rates have only continued to rise, with three quarters of dermatologists polled in a **January 2020 industry survey** reporting symptoms of burnout or depression. However, by leveraging advanced technology to reduce the burden of data entry and information overload, dermatologists can take proactive steps to help prevent staff burnout and foster sustained long-term success.

Automated Patient Reminders

Patient reminders are a perfect example of a routine task for which small steps towards automation can have a huge impact on staff time and wellbeing.

In my experience, I've seen front office staff spend untold amounts of time on the phone each day, confirming patient appointments and rebooking cancellations in an effort to head off the dreaded "patient no show." Although we would call patients two days ahead of time to confirm their appointments, many would often still forget, forcing us to follow up – repeatedly – to reschedule.

With automated patient reminders, front office staff can get as much as two plus hours back in their day — allowing them to spend more time with patients without feeling rushed. In this case, automation leads to happier employees who can offer better patient services, which leads to better patient experiences.

Efficient Processing of Insurance Claims

It's no secret that billing and coding are a huge contributor to staff burnout — in fact, the inefficiencies caused by inaccurate or incomplete claims are **the second-leading cause of burnout** in dermatology. In addition, the burden of manually coding office visits can lead to incorrect coding with CPT and ICD-10 codes, which can lead to claims being rejected or denied by the payer. This in turn creates more work for the billing staff, who have to investigate what happened with that claim and then resubmit it. Having an intelligent Electronic Health Record (EHR) that will suggest codes to be billed during the documentation process will help the provider document more quickly while helping the billing staff at the same time.

With a system that will scrub the claims to help identify errors before the claim is sent out, you can help your staff review claims more efficiently. This can take the detective work out of insurance claims — many non-specialty specific solutions will scan the claim and report it's incorrect but won't say why. Instead of having to play detective, solutions such as **Modernizing Medicine®'s EMA®** can provide actionable corrections before the claim leaves the platform. This can reduce the tedious guess work of meticulously analyzing claims manually for errors or dealing with denied claims that were inaccurate initially.

Streamline Front Desk and Back Office Workflows

In addition to patient reminders, automation can simplify staff workflows to help minimize burnout. Having a dermatology-specific EHR with an integrated patient portal can facilitate communication between physician and patient to streamline care. Patient portals have been critical to the continuation of care during the COVID-19 pandemic, allowing patients to virtually communicate with the practice for things such as requesting medication refills and updating their medical history online. In just a few clicks, staff can review and accept patient-entered data, so you'll already have the new information in your EHR when the patient arrives for their visit and exam. This gives the physician and staff more time to explore deeper aspects and focus on the important issues without feeling rushed for time.

An all in one system can also streamline patient check-out by providing front office staff with information about exactly when the doctor wants to see them next, what medicine they prescribed and any additional questions or follow-ups. Without these features, oftentimes front office staff would end up having to chase the doctor down to confirm details — leading to wasted time for both the patient and staff.

Pathology: Specimen Labeling and Tracking

As most dermatologists know, tracking pathology by hand in a ledger can be time-consuming — not to mention leaving room for error. A duplicated sample number or smudged label can throw an entire batch of lab specimens out of order, leading to extra work. Automating the pathology process of accessioning and labeling not only helps to avoid opportunities for human error, it can also improve speed and efficiency. An integrated, dermatology-specific EHR can also automatically add lab results into the patient's medical record, reducing the chance of records being associated with the wrong patient.

Optimized Inventory Management

It's surprising how many dermatology practices today still rely on manual inventory management. Without automated inventory management, practices might wonder: Was something thrown away because the expiration date passed, or did someone walk away with it?

Having an inventory management solution integrated directly in your EHR software gives you a clear picture into quantities of products so that you can adjust stock in your office and enhance your ability to track and manage products sold and administered during your patient's next visit. After simply scanning in the bar-code of a product, the system will do the rest and can even provide front office staff with information about products suggested during the patient visit — and their availability at the practice for purchase.

During the COVID-19 pandemic, many dermatology practices found that patient demand for cosmetic products, injectables, supply type items (e.g., sutures, bandaids etc.) and fillers, among other products, were significantly reduced. An automated system will reduce the need for manual recounts or the need to check expiration dates, taking the guesswork out of inventory and reducing the manual burden on staff.

Listen to Your Staff

From patient reminders, to streamlining patient paperwork, to improving your tracking, labeling and other administrative tasks in pathology and inventory management, practices that can streamline efficiencies with automation can see big improvements. Listening to your employees and hearing their pain points can help to solve these issues. Regularly checking in with staff to hear how they are doing can open the conversation and dialogue into investing in adequate technology to solve daily paint points. Automation can directly influence productivity and might be the key to unlocking a work life balance and achieving employee happiness.

Creating efficiencies with even the smallest tasks can make a big difference. When a physician can walk out of the office at the same time as the last patient without the burden of outstanding paperwork, that's a huge win! ■

Board of Directors INTERVIEW

Describe how you build a team environment in your office.

ADAM Secretary/ Treasurer
Bill Kenney, MHA, FACHE, CMPE

Chief Executive Officer
Dermatology Consultants, P.A.

For the past year and a half, Dermatology Consultants has had a fairly active wellness program which we have branded internally as "Thrive." The purpose of this program is to provide support and programs in the areas of physical, emotional and financial health. We have offered strength building classes, promoted healthy eating by providing healthy snacks in the clinic, as well as having wellness competitions among our five locations where teams compete for the Greatest of All Time (GOAT) trophy, which they hold for a 3-month period. We created a monthly newsletter with wellness articles and tips and recently developed a cookbook with recipes from staff and physicians. One significant outcome of this program is that it has been a conduit to building teams within the clinics through healthy competition, resulting in a feeling of fun and engagement.

ADAM Board Member
Jonathan M. Banta

Chief Executive Officer
Waccamaw Dermatology

Building a team environment starts and ends with great leadership. Successful leaders build great teams and culture through a smart hiring process, developing in-house talent and retaining talent. This can be accomplished by promoting a path of upward mobility, placing value in each employee, delegating responsibilities, building reciprocal trust, giving respect and communicating transparently the goals, objectives and direction of the practice. A common mistake amongst managers is to assume an underperforming employee is expendable. If you find that turnover continues to be a problem, the problem may be you. Maybe it's your personality, management style, the process in which you follow to hire and develop new employees — or lack thereof. Some managers lack the necessary interpersonal skills to successfully manage people and build great teams. Smart employees see that and move on. Turnover crushes efficiency within a practice and creates risk and exposure for physicians and ownership. I would encourage managers to meet with employees individually, listen to their concerns, gain valuable feedback, delegate tasks and responsibilities, understand what their goals may be and create opportunities for them that adds value to the practice. Communicate at least once a month to the entire practice via a conference call, Zoom meeting or an email with the latest practice updates and always close by thanking them for the daily sacrifices they make and acknowledge their efforts. Without your support teams' contributions, the practice wouldn't be as successful as it is. Although I am with a different practice now, winning Modernizing Medicine's Momentum Innovation Award in 2019 was a testament that **people make the difference!**

ADAM Board Member
Troy Starling, CPC

Director, Health Care Administration
University of Florida Dept. of Dermatology

I have always felt the key to building an effective team is to surround yourself, as the manager, with a group that cares about the work they do every day and those that try to make a difference. Building this effective team doesn't always happen the first go around, and it is mostly a work in progress. However when I do get the desired team to take us where we need to be as a whole, I want to be supportive and try to avoid micromanaging their daily activities. To me, end results are the most important thing and giving everybody the responsibility to see things through for the common goal seems to improve the overall effectiveness of the team.

Get to Know New ADAM Board Members:

Jonathan Banta

Chief Executive Officer, Waccamaw Dermatology
Myrtle Beach, South Carolina

Can you describe the practice you lead?

Currently, I lead a 5-partner, physician-owned practice with five locations and 11 providers treating all general dermatology issues and skin cancer with Mohs, radiation therapy and in-house dermatopathology.

What do you see as the ideal skill set necessary in managing a dermatology practice?

Good listening skills, critical thinking, sound decision making and the right temperament are required skills in not only managing a dermatology practice but leading a business. Those skills are paramount in building a great culture that will differentiate your practice from others. The ability to see a bigger picture separates the good managers from the ones who only can see the tasks in front of them.

How were you able to acquire those skills over your career?

Like most people, you acquire skills over time and with experience. Learn from your mistakes and take notes as to what worked well in a specific situation and begin to replicate your process across departments within your group.

Can you describe the opportunities ADAM has provided you both as a member as well as a Board Member?

Having been a member of MGMA and ACHE, I've found that ADAM has presented a defined and relevant set of opportunities, information and solutions specific to my career path. When I joined ADAM, I felt that there was a market trend with acquisitions taking place that wasn't necessarily being captured at the annual conference sessions or being addressed in webinar topics as those scenarios presented a different set of challenges. Becoming a board member allowed me to bring some different experiences to the membership. Specifically, helping mold the educational topics that would include the larger practice groups benefitting not only the practice managers but also the business people that were at the next level of the organizational chart. This is key information that could help drive growth and guide practice direction with a holistic view of dermatology. I felt improving the educational content would also help promote membership as more and more managers have business responsibilities as well.

When did you first become involved with ADAM?

Late in 2017

What advice would you offer to managers in this field?

Be objective, build your culture the right way, do the right thing, mitigate risk, continue to improve the patient experience, learn to prioritize, manage your time, don't take the path of least resistance, don't get lost in granular tasks and learn to play chess, not checkers. ■

Ask the LAWYER

Q&A with Michael J. Sacopulos, JD, and Lainey Anshutz
Medical Risk Institute

"Do You Still Work Here?"

Employment in the Age of COVID-19

Question: I run a midsize practice on the East Coast. I have several employees that have refused to return to work because of the fear of the coronavirus. They have not formally resigned, nor do they show up for work. May I fire them? What do I do?

Answer: Unfortunately, your question is not unusual. I have received a number of calls about employees that are frightened to return to work. Most practices do not have a "deep bench." You are not running an NFL team with a disabled list. You need employees that actually come to work. That fact seems simple, but the answer to your question is not. 2020 has seen a number of new laws and regulations surrounding the coronavirus. To best answer your question, I consulted with Brad Adatto, an attorney in Texas, with focus on business and healthcare law.

"Communicating with your employees is the key to figuring out the right solution and a way to accommodate them," Adatto states. Is it possible to have the employee do work from home? In a medical practice, oftentimes this is not possible due to the nature of their job. Adatto finds that having a frank discussion about the safety precautions the practice is taking often allays the employee's fear. By communicating protocols and revisions to your employee handbook in light of the coronavirus, some employees will feel more secure and be willing to return to work.

"The Families First Coronavirus Response Act and Family Medical Leave Act both come into play when dealing with employment issues," Adatto cautions. This new Act requires employers to provide employees with paid sick leave or expanded family medical leave for specific reasons related to COVID-19. The Act generally provides employees up to two weeks of sick leave at the employee's regular rate of pay when the employee is quarantined or taking care of a member that is quarantined. The Act also applies when an employee has a child that is home because the child's school or daycare has been suspended due to COVID-19. There are other reasons that the Act may be expanded up to an additional 10 weeks of leave for an employee.

"The question is whether the Families First Coronavirus Response Act applies to a specific employee or your practice," says Adatto. The number of employees has a bearing on whether the Act applies. More importantly, healthcare professionals are also exempted from coming under this Act. The question is, does your employee count as a healthcare professional for purposes of the Act? "Initially every employee of a healthcare entity was seen as a being exempt from the Act. Recently, the Department of Labor has restricted the definition to those individuals interacting with the public. This means those people that provide, for example, janitorial services,

would still potentially be covered by the Act," cautions Adatto. He is correct in noting the changing nature of the interpretation of the Act. For this reason, you need to be careful. This is a dynamic area of the law and things are changing quickly. What was true in June, may not be true in December.

Adatto also correctly notes that the Family Medical Leave Act (FMLA) may apply. Further, he goes on to note that individual states are creating laws that impact employers and employees of their state. "California has recently modified their law all the way down to businesses that employ five people or more," states Adatto. A business may be exempt by having too few employees at the federal level, but not at the state level. Does this seem confusing or tricky? It should. Sadly, there are no simple answers when dealing with HR and coronavirus issues.

There is even less guidance when talking about employee behavior outside of your practice. Imagine one of your employees decides to take off for a wedding. Unfortunately, the wedding is taking place in a known hotspot and may well put your employee at high risk. Can you prohibit the employee from attending the wedding? Can you make the employee quarantine for 14 days upon her/his return? "There are no firm and fast rules when it comes to these types of questions," Adatto notes. "There is no CDC guideline that talks about employees flying somewhere and then having to be quarantined. Further, CDC frequently updates its rules about how long the quarantine should last when there has been a potential exposure."

Adatto is correct that there are often more questions than answers. This seems like an opportunity to update your employee manual in a way that is flexible. Often it is best to cite two specific authorities rather than to incorporate rules into the manual itself. For example, stating, "our practice follows current CDC guidelines" is better than spelling out the current CDC guidelines in the employee manual.

The changing nature of both federal and state employment laws makes this a difficult area. Clearly, your employee handbook needs to be updated to address coronavirus issues. These are not the type of issues you should try to handle on your own. This is way beyond a simple Google search. If you are thinking of terminating an employee, consult counsel. Firms like Brad Adatto's, ByrdAdatto, offer programs that provide quality advise at appropriate rates. These are times from both a health and legal perspective to stay safe. I wish you and your practice all the best. ■

Michael J. Sacopulos is the CEO of Medical Risk Institute (MRI). Medical Risk Institute provides proactive counsel to the healthcare community to identify where liability risks originate, and to reduce or remove these risks. He is the author of "Tweets, Likes, & Liabilities". He is a frequent national speaker and has written for Wall Street Journal, Forbes, Bloomberg and many publications for the medical profession. He may be reached at **msacopulos@medriskinstitute.com.**

Contributing author Lainey Anshutz is a senior at Terre Haute South Vigo High School and is an intern at Sacopulos Johnson & Sacopulos. Her plan is to attend college and major in international business. She is interested in exploring law school.

Get CONNECTED:

ADAM's members-only Facebook group is a trusted place to exchange information, ask questions and get support from peers. ADAM members use this fantastic resource for confidential discussions with peers. Here are some recent conversations:

Join the conversation at

facebook.com/groups/AssociationofDermAdminsandManagers

Federal Fodder

Updated CPT Codes for Your Practice

The Centers for Medicare and Medicaid Services (CMS) finalized the 2021 Medicare Physician Fee Schedule, which will take effect on January 1, 2021. The final rule includes updates to the American Medical Association's (AMA) Current Procedural Terminology (CPT) codes, including those related to the coronavirus pandemic. Other changes include:

- Eliminating history and physician exam as elements for code selection.
- Permitting code level selection based on medical decision-making (MDM) or total time.
- Promoting payer consistency with more detail added to CPT code descriptors and guidelines.

Fast Approaching MIPS Important Dates and Deadlines

The Centers for Medicare & Medicaid's (CMS) Quality Payment Program rewards values and outcomes in one of two ways: the **Merit-based Incentive Payment System** (MIPS) and **Advanced Alternative Payment Models** (APMs). Under MIPS, eligible clinicians (ECs) submit quality data to earn a performance-based adjustment on their Medicare payments. Physician practices who are participating in MIPS should keep in mind these important upcoming dates and deadlines:

- **December 31 –** *2020 Promoting Interoperability Hardship Exception and Extreme and Uncontrollable Circumstances Exception **Applications** due.*

  Physicians who believe they are eligible for these exceptions may apply, and if approved, will qualify for a re-weighting of one or more MIPS performance categories. More information is **available**.

December 31 – *2021 **virtual group** election period closes.*

Solo practitioners and groups with 10 or fewer clinicians (including at least one MIPS eligible clinician) who want to participate in MIPS as a virtual group for the 2021 performance year must submit their election to CMS.

- **January 4, 2021 –** *2020 MIPS performance year data submission window opens.*
- **March 1, 2021 –** *Deadline for CMS to receive 2020 claims for the Quality performance category.*

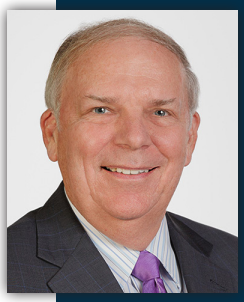
  Claims must be received by CMS within 60 days of the end of the performance period. Deadline dates vary to submit claims to the Medicare Administrative Contractors (MACs). Check with your **MAC** for more specific instructions.
- **March 31, 2021 –** *2020 MIPS performance year data submission window closes.*

Questions about practice affairs concerns can be emailed to ***advocacy@samiworks.net***. ■

Disclaimer: *The materials presented here are for informational purposes only and not for the purpose of providing legal advice. You should contact your attorney to obtain advice with respect to any particular issue or potential risk.*

SAMI Solutions for Association Management, Inc.

The SAMI Advocacy and Practice Affairs Team is dedicated to education and advocacy on behalf of dermatology practice managers and their patients.



Glenn Morley joined BSM Consulting in 2017 as a Senior Consultant, providing ongoing support to facial plastic and reconstructive surgeons, and dermatologists. Her areas of expertise include practice flow and efficiency, new physician integration and new practice start-up. Glenn has been an ADAM speaker since 2011. Maureen Waddle, MBA, joined BSM in 2008 after serving as regional vice president for a laser eye center. She has more than 30 years of experience in the opthalmic industry holding administrative, operational and executive roles. Derek Preece, MBA, is a former Principal and Executive Consultant with BSM, consulting with dermatology, opthamology and cosmetic/plastic surgery practices in the areas of strategic planning, cost containment, management techniques, mergers, team building and much more.

Establishing Incentives for Practice Administrators

Author's note: The coronavirus outbreak is first and foremost a societal tragedy, affecting hundreds of thousands of people and profoundly impacting both the national and global economy. This article is intended to provide medical practice leaders with a perspective on the evolving situation and implications for their companies. Since the outbreak is moving quickly, some of the perspectives in this article may fall rapidly out of date. With that said, this article reflects our perspective as of March 30.

By Glenn Morley, Maureen Waddle, MBA, and Derek Preece, MBA

Medical practices are businesses with unique needs and challenges. As such, the successful implementation of well-considered plans is critical in ensuring the practice achieves its goals. Owner-physicians, whose training likely did not include business management, depend on their administrators to ensure their business is achieving its objectives and remaining operationally and financially sound.

Naturally, owner-physicians who recognize the significant role their administrator plays in the practice's success want to reward them accordingly. However, it can be challenging to create a performance-based program that compensates appropriately for a job well done and motivates the administrator to continue moving the organization forward. In many cases,
owner-physicians relieve themselves of this burden by tasking the administrator with drafting his or her own bonus program.

To create an incentive program that will be embraced, administrators in this position would do well to consider the perspective of the business owner while bearing in mind the purpose of incentives — focusing people on the achievement of goals. Given that each practice has a unique set of goals, it follows that there is no one-size-fits-all incentive program. Once in place, such programs should be reviewed/revised annually to reflect the evolving goals and standing of the practice.

Set Goals First

When designing an incentive program, the first step is to gain a clear understanding of the practice's goals and the actions required to achieve them. While they differ from practice to practice, ultimately, your goals will be focused on accomplishing one result: increasing shareholder value. Therefore, goals for an administrator should be nearly identical to the aims of the practice itself. Below are some common overlapping goals.

- Increase revenue by XX% over the previous year.
- Increase profitability by XX% over the previous year.
- Meet or exceed budgetary targets for net income for the year.
- Introduce a new service line or implement a specific program by MM/DD/YY.

Notice that all these goals are specific, measurable, achievable, relevant and time-bound (SMART). Goals serve as a roadmap for where you want to go — specific goals provide clear direction, whereas vague or ambiguous goals are ineffectual. As Yogi Berra said, "If you don't know where you're going, you're going to end up somewhere else." Establishing SMART goals is a simple but effective roadmap for goal success.

Designing the Bonus System

When an administrator has a bonus component to his or her compensation, it is usually because the practice's overall compensation philosophy includes performance-based incentives or profit-sharing. Therefore, the administrator's bonus amount is commonly a part of the total bonus pool available for distribution. The most common methods for creating bonus pools are:

1. A percentage of company profits;
2. A flat, predetermined amount based on budgets and volumes; and
3. A percentage of base salary.

For an incentive to influence behavior, the amount must be substantial enough to catch the attention of the recipient. A general rule of thumb, regardless of the methodology used to establish the bonus amount, is that the available bonus should be at least 10% of the base. Listed below are a few other

FIGURE 1

Bonus paid based on percentage of all available amounts for physician compensation	
Practice Net Collections	$2,100,000
Practice Expenses (58% expense ratio)	($1,218,000)
Amount available for doctors' compensation	$882,000
Administrator bonus 2%	$17,640
Bonus paid based on profits available after physician compensation	
Practice Net Collections	$2,100,000
Practice Expenses (58% expense ratio)	($1,218,000)
Net Profit	$882,000
Allocation for doctor salaries* (e.g.,30% of collections)	($630,000)
Profit for owner distribution	**$252,000**
Administrator bonus 7%	$17,640

**Salaries might include production bonuses.*

considerations that should be accounted for when establishing bonus compensation and deciding how to disperse funds.

1. **Clearly define profits.** Since owners often have discretionary business expenses (e.g., meeting travel) which the administrator has no control over, it is important to clearly define expenses and profits for purposes of the bonus program. For example, if the administrator's bonus is to be a percentage of all compensation available to doctors (and discretionary business expenses are included in the doctors' compensation), then the percentage available for the administrator's bonus would be lower. Meanwhile, if the bonus is based on profits after physician salaries are paid, a higher percentage might be in order. Figure 1 demonstrates these differences; in the first case, a bonus of 2% is paid, and in the second, the percentage is 7%.

2. **Establish minimum expectations.** When bonuses are strictly a percentage of profits, a minimum threshold should be set. Remember, a leader's primary responsibility is to enhance shareholder value. Knowing this, does it make sense that the administrator can still receive a substantial bonus if the doctor's compensation is down compared to the previous year? To address this issue, the bonus program might include the following stipulations:

- If profits are below 95% of the previous year, there will be no bonus.
- If profits are between 95 and 104.9% of the previous year, 50% of the available bonus amount will be distributed.
- If profits are at or above 105% of the previous year, 100% of the available bonus amount will be distributed.

3. **Change the incentive program when significant changes are planned for the practice.** Sometimes the practice plans for flat (or even decreased) profit levels based on future actions. Perhaps the practice has decided to replace equipment or invest in geographic expansion for long-term practice success, but either action will reduce short-term profits. Meanwhile, flat profits might be the result of a planned implementation of an electronic health record (EHR) system, which includes a significant increase in expenses and a decrease in productivity for a few months. Big projects such as these are very demanding on practice administrators, and it can be discouraging for them to put in the extra work and not have a chance to earn a reward. If the usual bonus program is a percentage of profits, owners may want to consider establishing

FIGURE 2

Administrator MBO Bonus Program for Fiscal Year

Target		
Goal	**Measurement**	**Weight**
Increase net collections by 5% over the previous year.	(Current year collections less previous year's collections) divided by previous year's collections.	30%
Keep operating overhead percentage at or below 60%.	Total expenses (exclusive of physician compensation and physician benefits) divided by net collections.	30%
Achieve positive results on patient satisfaction surveys.	This measure is split 50/50 between (1) The average practice ratings for 90% or more of survey questions are above national benchmarks and (2) More than 95% of respondents answer "yes" to the question, "Would you recommend us to a friend or family member?"	20%
Maintain a healthy practice environment.	Staff turnover rate is at or below 15%. Staff satisfaction surveys indicate "above average" in at least 90% of the ratings. (Both required for credit on this measure.)	10%
Attain a positive performance review.	Physician feedback rating averages at least 3.5 points on rating form.	10%

Results				
Goal & Target	**Actual**	**Weight**	**Possible Points**	**Points Earned**
Increase net collections by 5% over the previous year.	Results: Net collections increased by 3.5% (did not hit target).	0.3	30	0
Keep operating overhead percentage at or below 60%.	Results: 58% (goal achieved).	0.3	30	30
Positive results on patient satisfaction surveys, as measured by: 90% or better on rated questions, and 95% or better "Yes" answers.	Results: 85% (did not hit target) = 0% of points. 97% (goal achieved) = 50% of points.	0.2	20	10
Maintain a healthy practice environment, as measured by: Staff turnover rate of <15%, and Staff satisfaction surveys "above average" in at least 90%.	Results: Staff turnover = 12% (goal achieved). Staff satisfaction = 93% (goal achieved).	0.1	10	10
Performance review finds a physician review average of >3.5.	Results: Average of 4.2 (goal achieved).	0.1	10	10
	Total:	**1**	**100**	**60**

a flat bonus amount for the year dependent upon the successful implementation of the goals they have set forth.

4. **If using a flat bonus amount, define goals.** Clear goals are necessary, as they ensure all parties clearly understand what must be achieved to earn the bonus. Many refer to this type of program as a Management by Objectives (MBO) program (sample in Figure 2). In this type of incentive plan, specific objectives are defined for the administrator at the beginning of the bonus period (typically a year), along with a total potential bonus. At the end of the incentive timeframe, the objectives are measured, and the bonus is paid out based on the predetermined weighting of the different goals.

5. **Use budgets.** Financial discipline, including the annual establishment of financial goals and a corresponding budget, is one of the attributes of successful practices. A good budget accounts for any projected changes in practice patterns or planned investments so it can address many of the issues related to administrator bonuses. When budgets are used, the administrator's bonus may be largely based on meeting or exceeding budgetary net income targets.

6. **Avoid simple, discretionary-only bonus plans.** Question: When can a several-thousand-dollar bonus be a disincentive to an administrator? Answer: When the previous year's payment was higher, and there is no perceptible reason for the lower amount. This situation often happens when bonuses are paid based on what the doctors "feel like paying" at the end of the year. Factors unrelated to the manager's performance (i.e., stock market plunges or family health challenges) can affect the generosity of owner-physicians and result in a disappointed administrator. An end-of-year monetary "gift" to a manager is a nice present, but it should not be confused with a true incentive plan that rewards the accomplishment of practice goals.

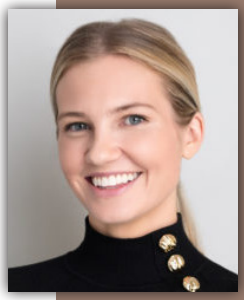
7. **Review the program annually.** Incentive programs can quickly turn into entitlement programs if they are not revisited regularly and tied to specific objectives. For this reason, they should be reviewed – and revised if necessary – every year to ensure they continue to meet the needs of the practice.

Positive Results

No one incentive plan is perfect for every practice situation, but thoughtful consideration, careful planning and regular review of management's bonus programs will align administrator and owner goals and increase the chances that both will be realized. In cases where the administrator is challenged to create the incentive program, it is incumbent upon him/her to do so from the perspective of the business owner(s) and with the goals of the organization in mind. Ideally, these performance-based programs will lead to positive results for the owners, the administrator and the practice. ■

Mentorship Matters

One free strategy to building a better team? Mentoring.



Kim Nichols, MD, is a board certified dermatologist and cosmetic surgeon in Greenwich, Connecticut, where she owns her private practice: **NicholsMD of Greenwich.** Dr. Nichols is a graduate of Harvard University as well as the NYU Medical School. Physician Assistant Katie French, MS, PA-C, joined the NicholsMD of Greenwich professional team in 2016 as a medical dermatology provider and anti-aging and laser specialist. She graduated cum laude from Seton Hall University and holds a master's degree in Physician Assistant Studies. Emily Anne Scalise, MA, is the Director of Business Development and Operations at NicholsMD of Greenwich. She received her master's degree in psychology from Columbia University.

By Kim Nichols, MD, Katie French, MS, PA-C, and Emily Anne Scalise, MA

Knowledge is best shared, and a mentoring program builds strong colleague relationships, instills career-building skills amongst all employees, supports employee retention and can help create and preserve positive work culture. Here are some tips to institute and successfully implement mentorship amongst all employee roles based on our personal experience at our busy dermatology practice.

Formal Training and Mentor Introduction

On the first day of hire, every NicholsMD employee is given a detailed training checklist packet and is assigned a mentor for his/her onboarding training period. For a tenured employee, the invitation to be an employee mentor is a sign of achievement and promotion into a new leadership role. The mentor is typically a staff member in the same or a similar position as the new employee mentee. New staff members cherish having a point person with whom they can build a special comradery and someone in whom they can feel comfortable asking questions they may not want to ask the physician or manager. This builds a strong connection early on between employees, as well as alleviates responsibilities from management.

The training checklist includes both administrative tasks – like phone etiquette, learning how to check patients in and out, how to use the electronic health records (her) system – as well as medical knowledge about dermatologic products and procedures. This keeps both the mentor and mentee responsible for items

each week with columns and signatures that are obtained with the intent of "learn one, see one, do one." The checklist is the responsibility of both the mentee and mentor to have completed by the end of the 3-month onboarding period.

This type of program also instills managerial and supervisory skills in the mentor, preparing them for possible promotions in the future. After the onboarding period, the mentee and mentor meet with the manager to discuss how the training period went, review the checklist and celebrate the graduation of the new employee. The new employee is then recognized at our weekly staff meeting once he/she completes the training period and the mentor is given a small bonus for his/her time and effort.

Provider Medical Meeting

Twice a month, our founding dermatologist and the physician assistants meet for provider medical meetings to round table complex cases, review treatment protocols, share miscellaneous patient feedback and discuss new techniques or topics in the industry the provider team has read about. In a practice with autonomous patient schedules per physician assistant or dermatologist, and multiple locations, this dedicated meeting ensures there is constant supervision, a clear mission, consistent policies and a practice that is ever evolving but with a great sense of comradery.

Staff Education

Mentorship extends beyond internal staff. In our practice, we utilize every sales representative and clinical educator to train new and tenured employees on retail products and the cosmetic devices we have in-office. By asking for support from our aesthetic companies to help train and develop the staff, this saves us time and money. These meetings might be one-on-one or small group sessions, so every staff member understands the technology, side effects, adverse reactions, contradictions, treatment protocols and results of every service we offer.

Tip: Have the new employee share his/her training recap with the staff at the next staff meeting or in an all-staff email. This gives the new employee a voice and allows the rest of the team to learn what is new from our aesthetic partners.

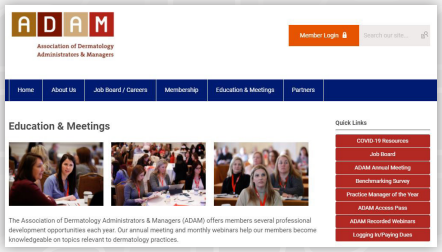
Maintaining Connection and Culture

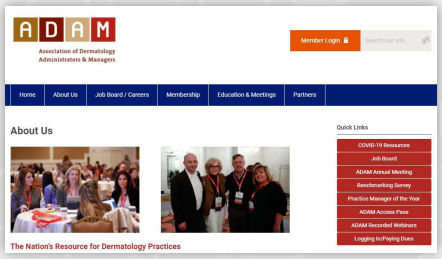
After creating a culture of connection and belonging, you then have to maintain it. Prior to COVID-19, we would have quarterly staff outings to further nurture our team culture and celebrate office goals together. The outings start with a team-bonding activity and end with a staff dinner in which we have employees sit next to someone they may not work alongside every day. On a bi-monthly basis, we have participated in stand-up paddle boarding lessons, sunrise hikes and golf lessons at our community's country club, and annually, we host a holiday party and overnight staff retreat.

By actively focusing on creating a work environment which focuses on personal connection and professional growth, staff members will take ownership of their success and feel connected to you, the team and the mission of your practice. ■

ADAM INITIATIVES

ADAM Website Updates





The ADAM website has been enhanced with collages of photos from past meetings and events. Check it out and see if you can find yourself! ADAM staff has also been working hard at updating the members-only **resource library** that contains topical articles for your reference to help you and your practice succeed. Six new articles are included:

1. **Marketing Tips for the Modern Aesthetic Practice**
2. **Sharpen up Your Skin Biopsy Coding & Documentation**
3. **The Debate Continues When to Use Modifier 25**
4. **How Technology Can Improve the Patient Experience**
5. **Being Cybersmart**
6. **Encouraging Accountability in the Workplace**

"My Personal Experience" Interactive Webinar Series

ADAM has held two successful interactive webinars in its new "My Personal Experience" series. The complimentary on-demand recordings are **available on the ADAM website** (login required).

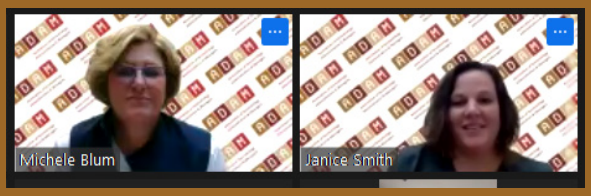
1. ...What Keeps You Up at Night as a Dermatology Practice Manager/Administrator

This virtual roundtable discussed challenges they've faced this year and encouraged the use of ADAM's resources so that members don't feel they are facing this alone. Topics included:

- Handling stress among employees
- Whether to provide masks for patients
- Scheduling staff for multiple offices
- Insurance claims and the communication process with patients post-appointment
- Using CPT code 99072 for supplies reimbursement (such as PPE)
- And much more

Presented by ADAM Immediate Past President Tony Davis and Secretary/Treasurer Bill Kenney.

2. ...With Navigating a Dermatology Office During COVID-19



Common strategies practice managers can use to more easily navigate a dermatology office during COVID-19 were discussed. *Presented by ADAM President Janice Smith and President Elect Michele Blum.*

"This was an excellent Zoom meeting. I would like to see more of these from ADAM. Thank you!!" – Jodi Roos

"Great info ladies!" – Jonathan Banta

"Thank you! Much appreciated!" – Carol Gitto

"Thank you all for sharing." – Teresa Dyer

"Great!! This needs to be done more often...weekly!!!" – Angel Skinner

Renew Your ADAM Membership for 2021

It's time to renew your ADAM membership! Don't miss even a day of all your ADAM benefits — **renew your membership for 2021 by logging in** with your user name (ADAM ID number unless you have changed it).

If you have not received your dues invoice **via email**, please contact ADAM headquarters via email or call 866.480.3573 so that we can update your contact information and ensure there is no interruption in your **ADAM member benefits.**

ADAM

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