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## RHC Benchmarking Report

### 2009 Medicare Cost Reports

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In September 2010, Healthcare Business Specialists entered information gathered from various cost reports in a database and the results of that study are included below. This is a small sample of 20 cost reports; but, we think the information will be useful to your clinic as you benchmark against standards.

### Compensation and Visits

Practitioner Type	High Comp	Average Comp	Low Comp	Avg. Visits	Comp per visit
Physician	520,365	257,296	109,009	5,131	50.15
Nurse Practitioner	86,666	66,138	50,760	3,424	19.32
Physician Assistant	104,852	84,287	65,668	3,094	27.24

Interestingly the average compensation is more than the allowable per visit from the table that we use for Medicare as Medicare allowable compensation. The maximum cost per visit on this table is in the low \$40s per visit.



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## RHC Benchmarking Report

### Charges and P S and R Data

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We reviewed the P S and R data from the cost reports and noted a wide variance in the charges per visits ranging from a low of \$72.56 per visit for a clinic in Mississippi to a high of \$148.66 per visit for a clinic in Illinois. Most clinics charge an average of approximately \$100 per visit for a Medicare patient and collect approximately \$80 per visit.

### Charges and P S and R Data

Practitioner Type	High	Average	Low
Medicare Charges per visit	\$148.66	\$99.35	\$72.56
Medicare Payer Mix	45.21%	23.83%	12.21%
Medicare Deductible per visit	\$12.98	\$10.29	\$8.14
Medicare Coinsurance per visit	\$27.62	\$17.81	\$11.92
Medicare Net Reimbursement per visit	\$54.25	\$52.48	\$49.30
Total Payment per Medicare Visit	\$90.14	\$80.58	\$75.44



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## RHC Benchmarking Report

### Influenza, Pneumococcal, and H1N1 Shots

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Medicare continues to provide an incentive to RHCs to provide influenza, pneumococcal, and H1N1 shots to Medicare patients. It remains highly profitable to provide these shots to patients with Medicare paying \$21.71 more than the influenza shot or a 336% gross margin and Medicare paying \$43.28 more than the \$35.92 cost of pneumococcal shots or a 120% gross margin. This is calculated on direct supply cost only and not salaries to give the shot or the time factor of money which it typically takes a while to get paid from Medicare for these shots. Still it is very profitable and all RHCs should consider providing these shots.

### Influenza, Pneumococcal, and H1N1 Information

Practitioner Type	High	Average	Low
Pnu reimbursement per shot	\$130.37	\$79.20	\$63.81
Flu shot reimbursement per shot	\$36.06	\$30.89	\$24.55
H1N1 reimbursement per shot	21.75	\$15.48	\$9.16
Pnu amount paid per shot	\$37.40	\$35.92	\$30.88
Flu amount paid per shot	\$13.50	\$9.18	\$6.70



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## RHC Benchmarking Report

### Total Costs and Bad Debts

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The last table is total cost per visit which indicates that all the cost reports were very close to the cap or above it. These were all independent clinics; however, we are developing a database of provider-based clinics and will be benchmarking them in the future.

Medicare Bad Debt is difficult to receive from Medicare; however, it is very profitable to do so. Only 8 of the clinics claimed this bad debt and the average per clinic was approximately \$10,000 per clinic. Also many clinics do not realize that you can claim Medicare/Medicaid crossovers that are not fully paid as Medicare bad debt. This can result in a very large payment from Medicare depending on the State you are in and their dual eligible payment policies.

### Total Cost per visit and Bad Debts

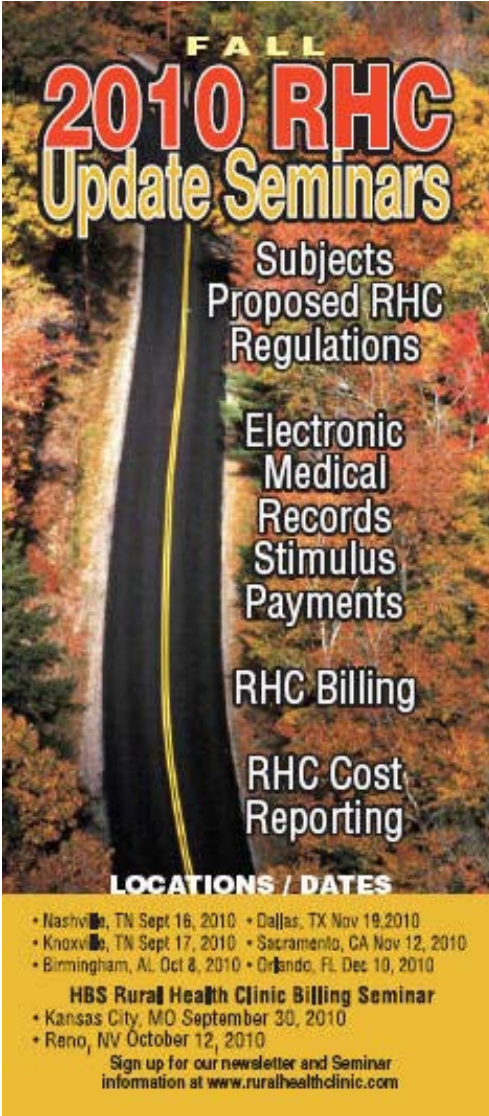
Practitioner Type	High	Average	Low
Total Cost per visit	\$122.06	\$89.28	\$77.28
Medicare Bad Debt reimbursement	23,822	4,927	0



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## RHC Update and Billing Seminars

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**FALL**  
**2010 RHC**  
**Update Seminars**

Subjects  
Proposed RHC  
Regulations

Electronic  
Medical  
Records  
Stimulus  
Payments

RHC Billing

RHC Cost  
Reporting

**LOCATIONS / DATES**

- Nashville, TN Sept 16, 2010 • Dallas, TX Nov 19, 2010
- Knoxville, TN Sept 17, 2010 • Sacramento, CA Nov 12, 2010
- Birmingham, AL Oct 8, 2010 • Orlando, FL Dec 10, 2010

**HBS Rural Health Clinic Billing Seminar**

- Kansas City, MO September 30, 2010
- Reno, NV October 12, 2010

Sign up for our newsletter and Seminar information at [www.ruralhealthclinic.com](http://www.ruralhealthclinic.com)

We are sending out a postcard next week on our rural health clinic and billing seminars so look for it in the mail. We have added dates in Dallas, Orlando, and Sacramento so look for those dates as well. Here is the link to the postcard that will be in the mail. The update seminars will feature information on medical homes, bundled payment, and accountable health organizations as well as the latest information on the Electronic Health Records Stimulus payments. The morning session will be all legislative changes and Electronic Health Records and the afternoon sessions are related to RHC Billing, Cost Reporting, and Annual Evaluations. If you would like to only attend the morning session, the fee is \$150.00 or the afternoon session the fee is \$150.00 as well. You do not have to be a rural health clinic to benefit from the information presented in the morning session. Here is the link:

[2010 RHC Update Fall Seminar Brochure Page 1.pdf](#)

[2010 RHC Update Brochure Page 2.pdf](#)



Here are the links to register for the seminars. Let us know if you have a problem with any of them. Thank you and we hope to see you at one of the seminars.

[RHC Update Seminar in Nashville, TN on September 16, 2010](#)

[RHC Update Seminar in Knoxville, TN on September 17, 2010](#)

[RHC Update Seminar in Birmingham, AL on October 8, 2010](#)

[RHC Update Seminar in Sacramento, CA on November 12, 2010](#)

[RHC Update Seminar in Dallas, TX on November 19, 2010](#)

[RHC Update Seminar in Orlando FL on December 10, 2010](#)

[Kansas City, MO RHC 101 Billing Seminar on September 30, 2010](#)

[Reno, NV RHC 101 Billing Seminar on October 19, 2010](#)

<i>Date</i>	<i>Location</i>	<i>Subject</i>	<i>Time</i>
<i>Thursday, Sept. 16</i>	Nashville, TN	RHC Update	9:30 to 4:00
<i>Friday, September 17</i>	Knoxville, TN	RHC Update	9:30 to 4:00
<i>Friday, October 8</i>	Birmingham, AL	RHC Update	9:30 to 4:00
<i>Thursday, Sept. 30</i>	Kansas City, MO	RHC Billing	9:30 to 4:00
<i>Tuesday, October 19</i>	Reno, NV	RHC Billing	9:30 to 4:00
<i>Friday, November 12</i>	Sacramento, CA	RHC Update	9:30 to 4:00
<i>Friday, November 19</i>	Dallas, TX	RHC Update	9:30 to 4:00
<i>Friday, December 10</i>	Orlando, FL	RHC Update	9:30 to 4:00

**H B S**

Healthcare Business Specialists



Thanks for reading this newsletter. I hope it was informative and helpful.  
Thanks and look forward to seeing everyone at one of the seminars.

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