

Table 2 Examples of information required in an operational assessment

| Assessment area | Information required | Assessment area | Information required |
|------------------------|---|---|---|
| Professional relations | Number of physicians; subspecialties; ages; retirement policies; income distribution formula; production levels (individual charges and collections); buy-in and buy-out provisions; agreements covering principals' responsibility to the practice and to one another | Billing, collections, and accounts receivable (A/R) | Up-front pay procedures (copays and elective surgeries); protocols for following up with delinquent patient accounts; usage of a collection agency; aged A/R; criteria for sending an account to a collection agency |
| Personnel | Number of full-time and part-time staff; position descriptions; reporting relationships; turnover rate; employment-related policies and procedures; payroll policies and procedures; evaluation policies and procedures; basis for granting salary increases and bonuses | Internal controls | Existence of a chart of accounts; protocols for bookkeeping/accounting; protocol for handling cash and checks received at time of service and in the mail; separation of responsibilities of staff involved in handling charges and payments; policy regarding an annual financial audit/review |
| Appointment scheduling | Hours of operation; appointment scheduling methodology; scheduling and triage instructions; physicians' office and operating room schedules; physicians' punctuality; protocols relative to work-ins and emergencies; reminder protocols; policy regarding no-shows | Marketing | Regular surveys of patients, referring physicians, and hospital staff; staff training in the area of patient relations; protocols in place restricting physicians' abilities to cancel and reschedule patients; early morning and evening office hours; an attractive physical facility |
| Finances | Charges; work and total RVUs; receipts; overhead (in total and as a percent of receipts); overhead broken down by expense category; existence of an annual operating budget; frequency of development of financial statements; frequency of variance analyses | Patient records | Protocols for documenting patient visits and procedures; dictation procedures; training of involved staff regarding the Privacy regulations under the Health Insurance Privacy and Portability Act; methodology of maintaining records and radiographs (paper or electronic); record retention policies |
| Insurance | Details of agreements with all payors; protocols for verifying patients' insurance coverage; volume and dollar amount of claims filed per month; average time delay between date of service and date an insurance claim is filed; protocols for following up with late payors | Physical facility | Size of office relative to number of physicians, patients, and staff; insurance; appearance of office; records of office equipment (e.g., telephones, fax machines, computers, and scanners); terms of leases; compliance of facility with government regulations; floor plan of office |