Building a PMH-APRN Business

Strategies to Grow & Shake the Money Tree

Sharon R. Katz, MSN-PMH-APRN, CRNP
CEO, Collaborative Psychiatric Associates, PC
Kathryn Lindsay, MSN RN
QI Clinical Reviewer, Magellan Health Services

Disclosures

- Sharon Katz has been the owner of Collaborative Psychiatric Associates (aka. Collaborative Care of Abington) since 1995 and does not have any conflict of interest.
- Kathryn M. Lindsay works for Magellan Health Services and does not have any conflict of interest.

Objectives:

- Develop an outline of operationalizing a Business and Clinical Plan
- Understand the purpose and process of credentialing as Clinical Nurse Specialist and PMH-NP with managed behavioral care organizations.
- Understand documentation standards that demonstrates APRN scope of practice that maximizes reimbursement.

Owning & Operating a Psychiatric Clinical Practice

- State Nurse Practice Act and APRN Regulations:
  - Does your state have different laws for CNS vs. NP?
  - Independent practice vs. Supervision or Collaboration? Does this limit your ability to own practice?
- Insurance Regulations?
  - Do they limit ownership or credentialing if independent?
  - Do practice guidelines differ within state for Medicaid vs. Commercial Insurance
- Partnership options
  - Medical Director
  - Clinical Partners
  - Investors, family, trusted colleagues.

ACA: Targets Elements that Decrease Healthcare $

- PCMH: What does that mean? How does the concept change the system?
- What are the obstacles to access to affordable care?
- Behavioral Health and Psychiatric Mental Health: How do the goals differ?
- How can Psychiatric Nurses affect patient access to behavioral or PMH treatment?

Growing with ACA

- Creation of nursing centers: Integrated Public Health in Communities
- Development of integrated teams and community partnerships
- Promotion of Behavioral Health Homes
- Outpatient and Integration into PCP offices
- Emergency and Hospital sponsored clinics
ACA: Public Mental Health

- Community based treatment: Support, Advocacy, Substance Abuse
- Integrated Mental Health in Patient Centered Medical Homes
- Patient Centered Behavioral Homes
- Pharmacy Based Drop in Clinics
- Wellness or Disease Focused Integrated Clinics (HIV, Cancer centers, etc.)

Start Up Considerations

- Developing Professional Relationships:
  - Accountant, Lawyer, Collaborating Physicians
- Banking relationships
- SBA loan vs. Commercial Loan
- Funding: Contracts with MCO, Medicare, grants
- Budgeting: Defining % needed for overhead expenses, reimbursement of clinicians, office personnel, and benefits.

Business Plan

- Executive Summary
  - Mission Statement
  - History of vision and Scope of Practice
- Legal background and considerations: state and federal laws, trends in health care, etc.
- Capital requirements: Purpose of funding, reimbursement sources, 2-5 yrs. projections
- Management team, clinical staff, experience

Business Plan continued...

- Define market, services, target population served, potential of growth, experience, etc.
- Referral base and competition
- Stages of growth and methods of marketing
- Target systematic clinical goals of practice:
  - Whole person focus: integration of medical, behavioral and psychiatric mental health wellness
  - Access to care
  - Decrease overall costs

Business Plan

Financial
- General description and Budget
- Data from past years
- Tax information (3 years tax returns)
- Projections, Profit and Loss with comparison over 3 years
- Assumptions upon which projections were based

Management
- Organizational Development Chart:
  - Who, What, Where, How?
- Contracts and credentialing with Medicare, insurance and payers
- Development of Business team:
  - Billing, office management, accounting, and legal counsel
- Security of Records and Office

Building Blocks of a Business
### Making a Business Legal

- **State regulations:**
  - Define options: CNS vs. NP might be different
  - Define obstacles: Using ACA to petition for change
- **Legal incorporation:** LLC, S Corp, C corp, or non-profit.
- **Accounting:**
  - Quarterly, yearly and timely filing of township, state, and federal returns.
  - Consulting for business plan, management of employee, budgeting, etc.

### Management of Workforce

- **Employee vs Independent Contractor**
- **Employee Handbook:** General Operational Rules
- **Reimbursement rates, overhead projections, and %**
- **Contracts vs. At Will**
  - Contracts have language that protects employee more than employer.
- **System for Quality Assurance:** Documentation audit, performance evaluation, CEU's

### Employee Handbook: Clinician Management

- **Unifies rules for business, ethics, termination**
- **Reflects standards of contract with payers:** Emergency management, criteria for referral to higher levels of care
- **Documentation Expectations/Forms**
- **Reimbursement to clinicians**
- **Communication and unification of common model or clinical philosophy**

### Marketing

**Define your target market!**

**Develop Marketing for referrals:**
- Web page, social media, etc.
- Tag lines and short mission statement
- Business cards, post cards, newsletters, blog
- Timing and Focused Plan

### Building Your Community

**Community Involvement:**
- Hospitals
- Participation in community support groups
- Volunteer for boards and community forums
- Professional Association Participation
- Nursing community:
  - Participate in Organizations and development of role
  - Mentoring, students, teaching, etc
- VNA

### Office Procurement and Standards

- Clear entrance/exit signs
- Patient parking, handicapped access
- ADA bathroom
- Water station
- Waiting room
- Confidentiality of treatment rooms
- Office and Record security
General Standards of Care

Patient Care:
- Patient bill of rights
- Consent for treatment
- Bill only for sessions patient participated and consented to being treated
- Use Clinical Scales to measure pre-admission and validate of progress periodically
- Develop treatment plans and goals
- Document baseline symptoms, medical data, and subsequent progress in clear format

NCQA

- Managed Behavioral Healthcare Organization (MBHO) Accreditation
- NCQA Managed Behavioral Healthcare Organization (MBHO) Accreditation demonstrates to health plans, employers, regulators and consumers that an organization follows evidence-based practices for providing high-quality care, access and consumer protections.

NCQA Accreditation Standard Development

- An expert panel of MBHOs, health plans, state agencies, consumer organizations and behavioral healthcare researchers helped update NCQA 2013 MBHO Accreditation.
- 2014 will assure that all standards will account for the "WHOLE PERSON"

MBHO accreditation emphasizes

- Are coordination to reduce fragmented care, especially for people with special needs.
- Complex case management to manage the increasingly complex needs of patients receiving both medical care and behavioral healthcare—a challenge for managed care initiatives where complex cases are common.
- Data exchange between health plans and behavioral healthcare organizations, to support clinical quality and patient experience measurement and improvement by the MBHO.

5 Standards

- MBHO 1. Quality Management and Improvement
  - The organization has processes designed to monitor, evaluate and improve the quality and safety of care provided to its members, including those with complex needs.
- MBHO 2. Care Coordination
  - The organization coordinates medical care and behavioral healthcare for its members?

5 Standards (cont)

- MBHO 3. Utilization Management
  - The organization notifies members and practitioners about coverage decisions within required time frames.
- MBHO 4. Credentialing and Re-credentialing
  - The organization verifies the credentials of the practitioners in its network.
- MBHO 5. Members’ Rights and Responsibilities
  - The organization has a written members’ rights and responsibilities policy.
Navigating Insurance Credentialing Process

- Always get the requirements from each insurance company and follow the instructions do not assume that all are the same
- Contact the Network/Credentialing Coordinators to discuss the process
- CAQH application
  - Keep information current
    - Malpractice insurance should have a few months
    - Place of employment/practice

Codes that Get You Paid

- Clinical Procedures and Tests better known as the CPT CODES
- Nurses can use the E/M codes with add-on for psychotherapy
- Documentation requirements are stated for each code

DO NOT DEFAULT TO TIME

CPT Codes

- Psychotherapy Codes – not medical
- E/M codes:
  - New
  - Established
- Psychotherapy Codes as add-on - medical
- Interactive Complexity
- Crisis

CPT Code Medical Decision Making

- Straightforward – stable or improved
- Low - problem worsening
- Moderate – new problem but no additional work-up
- High – new problem with additional work-up planned

Documentation to Support Standards of Care

- Documentation in your medical record should show the evidence-based practice that is grounded in the recovery model and patient-centered care
- Reflect the “Whole Person” philosophy that is individualized
- Reflects the person’s behavior that satisfies criteria for the diagnosis you choose
- Reflects the road map you use to help this person

Chief Complaint

- What was going on with this person that had them cross the threshold of your door for treatment
- What was going on in their lives that had them ignore the stigma and decide to get help
HPI
- Location
- Severity
- Timing
- Duration
- Quality
- Context
- Modifying factors
- Associated S/S to support the diagnosis

Review of Systems
- Psychiatric
- Constitutional – vital signs
- Musculoskeletal

Review Of Systems
- Ear, Nose, Throat
- Cardiavascular
- Respiratory
- Gastrointestinal
- Genitourinary
- Eyes
- Integumentary
- Neurological
- Endocrine
- Hematology/Lymph
- Allergy/Immunology

Past, Family, Social History
- PFSH
  - If previously in treatment; what was the reaction
  - Quality not just quantity
  - Social history:
    - Substance Use
    - Risk Assessment
    - Where strengths can be found

Mental Status Exam
- General Appearance
- Orientation
- Attention span & concentration
- Recent & Remote memory
- Language (naming objects, repeating phrases)
- Speech
- Fund of Knowledge
- Mood & Affect
- Thought processes
- Associations
- Thought content
- Judgement/insight

Summary
- Look before you leap! Know your regulations, costs, and opportunities
- Develop both a clinical and business plan and team.
  - No one is indispensable: Team members change, so plan for survival of practice.
- Market and increase exposure of clinical vision
- Credential, document and follow the rules!
References

- Small Business Association: www.sba.gov for a variety of business outlines, tutorials, and handbooks to download.
- NCQA: www.ncqa.org Lists different regulations and organizations that maintain standards in industry.