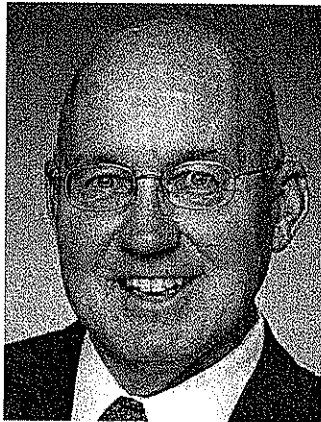


The more you know

MGMA data suggest that conducting patient surveys leads to better financial performance



By David N. Gans, MSHA, FACMPE, vice president, MGMA Practice Management Resources, dng@mgma.com

Knowing how your patients perceive their interactions with your practice can lead to better patient service, improved quality and even a financial return.

Medical groups that conduct patient satisfaction surveys can gain valuable insights into many aspects of the practice, including clinical operations, physician communications, appointment availability, facility upkeep, and whether patients recommend the practice to family and friends. By acting on the information your patients provide, you can identify potential problems and remedy them. Patients can also give you valuable information on organizational issues that you might not otherwise recognize, such as busy phone lines, lost messages or the difficulty of making an appointment.

Patient input can help you and other

group leaders gain a better understanding of the practice's weaknesses and strengths and can serve an important role in an ongoing campaign to improve business and clinical operations.

How to quantify patients' feedback?

Most practice management experts describe how patient feedback will lead a group to improved quality. Unfortunately, because most measures of quality tend to be subjective, it has been difficult to understand the potential return on investment of the time, energy and cost of maintaining a patient satisfaction program.

Information from the Medical Group Management Association (MGMA) Cost

Patient satisfaction survey information boosts financial performance for multispecialty groups

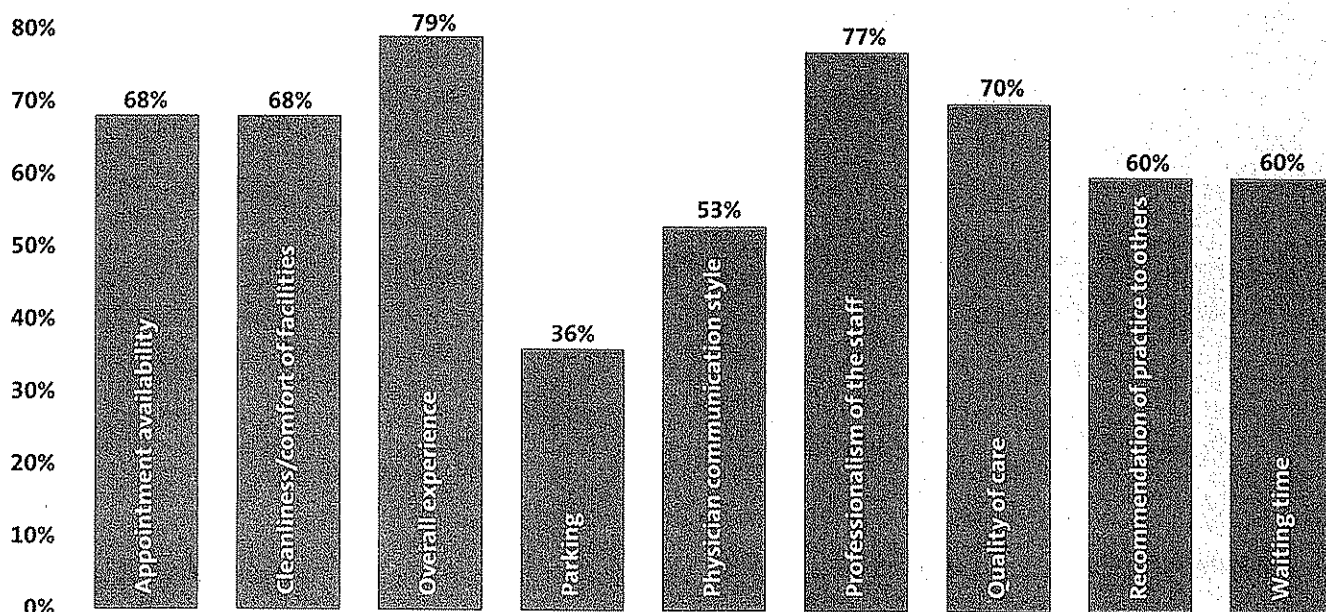
| Multispecialty groups conducting patient satisfaction surveys | Yes | No |
|--|-----------|-----------|
| Total medical revenue per FTE* physician | \$642,808 | \$623,957 |
| Total operating cost per FTE physician | \$398,826 | \$360,172 |
| Total medical revenue after operating cost per FTE physician | \$251,520 | \$236,664 |
| Total physician compensation and benefits per FTE physician | \$242,524 | \$231,156 |
| Use patient satisfaction survey information to educate physicians about behavior | Yes | No |
| Total medical revenue per FTE physician | \$661,502 | \$613,864 |
| Total operating cost per FTE physician | \$399,948 | \$396,858 |
| Total medical revenue after operating cost per FTE physician | \$254,448 | \$212,907 |
| Total physician compensation and benefits per FTE physician | \$246,034 | \$190,381 |
| Use patient satisfaction survey information to benchmark to other practices | Yes | No |
| Total medical revenue per FTE physician | \$660,398 | \$622,021 |
| Total operating cost per FTE physician | \$426,595 | \$396,356 |
| Total medical revenue after operating cost per FTE physician | \$255,548 | \$234,138 |
| Total physician compensation and benefits per FTE physician | \$252,545 | \$233,865 |

Source: MGMA Performance and Practices of Successful Medical Groups - 2007 report based on 2006 Data

(All figures in dollars)

Everything you wanted to know...

Most frequently asked types of questions on multispecialty-group patient satisfaction surveys



Source: MGMA Performance and Practices of Successful Medical Groups Questionnaire

Survey and its related Performance and Practices of Successful Medical Groups Questionnaire indicate that a direct relationship may exist among conducting patient satisfaction surveys, receiving information on practice performance and improved financial performance.

The chart (left) displays information for multispecialty groups that participated in the MGMA 2007 Cost Survey and that also completed the optional Performance and Practices of Successful Medical Groups Questionnaire. The questionnaire addresses how the practice operates and inquires about its processes and procedures. Several questions ask about how the practice conducts patient satisfaction surveys.

The first section of the chart compares the financial performance of multispecialty

groups that conduct patient satisfaction surveys with those that do not. The groups that conducted surveys had better financial performance as measured by total revenue per full-time-equivalent (FTE) physician. Most important, they also had higher physician compensation and benefits per FTE physician than practices that did not collect patient satisfaction information.

While the survey data indicate that patient satisfaction surveys deliver worthwhile payback, they also show that the information the practice collects may affect financial operations. Practices use different survey designs, ask different questions and use the information in different ways. The other sections of the chart show that practices reporting they use patient satisfaction survey information to educate physicians about behavior had much better financial performance than the practices that did not do so.

Even more interesting is the analysis of the practices that indicated they use patient satisfaction survey information to benchmark to other groups. Physicians in these organizations had total compensation and benefits almost \$20,000 greater than the practices that indicated they did not

Patient input can help you and other group leaders gain a better understanding of the practice's weaknesses and strengths.

see **The Data Mine**, page 22

mgma.com

- From the home page, search for "patient satisfaction"
- In the *MGMA Store*, enter 6635 in the *Search Products* box for the book *Star-Studded Service: 6 Steps to Winning Patient Satisfaction*; 3472 for the Information Exchange "Patient Satisfaction Questionnaires"; 6593 for the Patient Satisfaction Smart Pack.

The Data Mine

benchmark patient satisfaction. This is consistent with other information that indicates that the benchmarking process leads to improvement, whether in physician productivity, operational efficiency or business office operations.

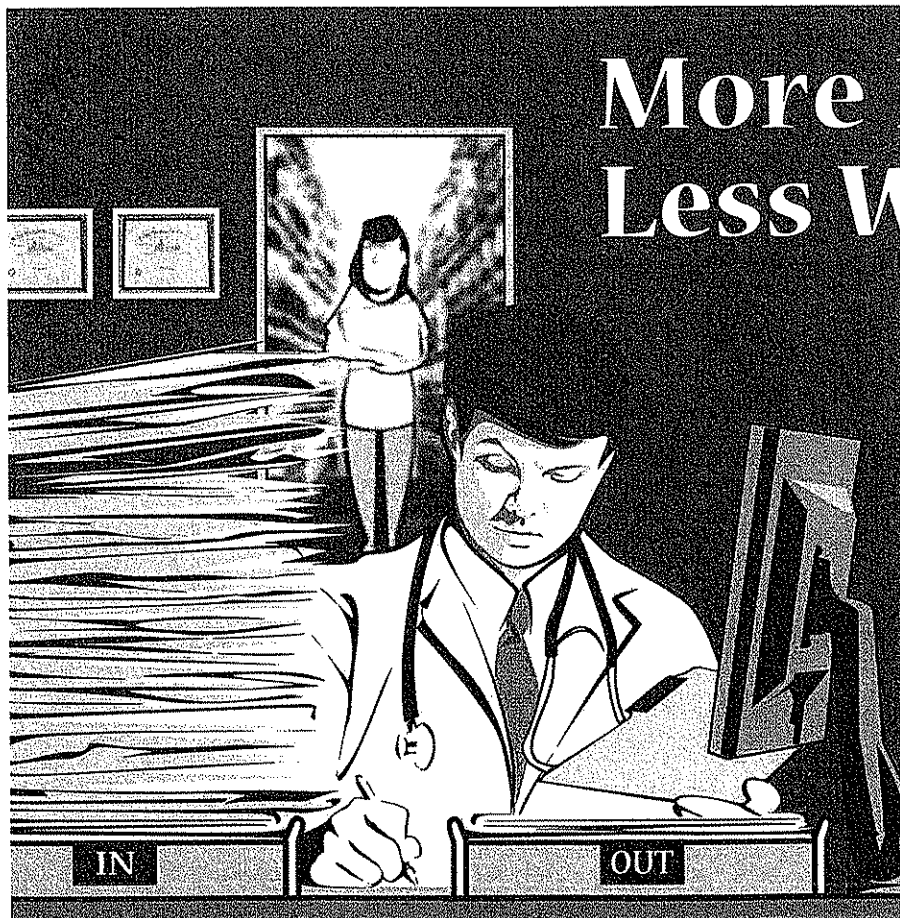
Which questions to ask, and how often?

The graph (page 21) shows the relative frequency with which multispecialty groups ask various questions. Those asked most often pertain to the overall medical practice experience and the professionalism of the staff. More than three-fourths of respondents indicated they include these questions regularly in their patient satisfaction surveys. Questions asked much less often are those relating to parking or physician communication style. Approximately two-thirds of responding practices ask patients about appointment availability, cleanliness/comfort of facilities, quality of care,

recommendation of the practice to others and waiting time. These queries can provide important insight into a group's operations.

Collecting patient satisfaction information is not an easy task, and not every practice that conducts patient satisfaction surveys makes the best use of the information it gathers. As noted, what you do with patient satisfaction survey information is probably as important as whether your practice conducts the study at all. However, there is strong evidence that practices that conduct patient satisfaction studies and use the information to benchmark their standing against other organizations have better financial performance. These practices definitely are doing good for their patients — and also doing well for themselves. 🌐

e-mail us: Does your practice conduct patient satisfaction surveys? How do you use the results? Tell us at connexion@mgma.com



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