

Eye Specialty Group Takes Control of Its Future

Eye Specialty Group is a multi-specialty ophthalmology practice in the Memphis, Tennessee area. To deliver the full spectrum of eye care, the practice works cooperatively with the local optometric community, composed largely of independent practices.

Powerful economic forces threatened to undermine the collaborative relationship between Eye Specialty Group and optometrists in Memphis. New payment models were coming into play. The dramatic growth of baby boomers who sought eye care threatened to overwhelm the practice's ability to keep up with demand.

Large health-system consolidators began buying up optometry practices in the area. In many cases, these consolidators shifted acquired practices away from medical eye care with modest optical sales toward a more strictly vision-based practice model with an emphasis on high optical sales.

To manage the growing need for primary medical eye care services and distribute care for baby boomers, Eye Specialty Group developed its own consolidation plan.

"We decided that consolidation was actually the best pathway to maintain the market diversity we helped build over the past 20 years," said Thomas Brown, practice administrator for Eye Specialty Group and CEO of Provident Practice Management Services.

However, the practice lacked knowledge and experience needed to manage this aspect of the eye-care business. How could Eye Specialty Group best gain control of its future and continue to fulfill its mission?

Network needed

Hospital-based health systems operating in Memphis were calling on Eye Specialty Group. There were approximately 200,000 diabetic patients who needed dilated eye exams—an important quality measure for this population. Eye Specialty Group had neither physical space, staff, nor the number of physicians to meet this demand.

"We saw a need to pull in the rest of the eye-care community to help," says Brown. "We started talking to optometrists about forming a network to work with health systems," recalls Brown.

Consolidators enter the market

Around this time, large healthcare organizations from outside the Memphis area appeared at the gate, beckoning to local optometrists. These organizations could potentially destabilize Eye Specialty Group by pressuring optometrists to alter their referral patterns, emphasizing business goals rather than patients' needs.

"Optometrists saw that consolidation was coming," says Brown. "When presented with

CLIENT PROFILE

Eye Specialty Group

- Provides state-of-the-art medical and surgical eye care
- Locations in Tennessee and north Mississippi
- Services include specialized glaucoma treatment; laser cataract, retina, LASIK, and eye reconstructive surgery; and a wide array of cosmetic procedures
- Committed to eye care excellence for more than 50 years

NEXTGEN HEALTHCARE SOLUTIONS

- NextGen Healthcare Revenue Cycle Management
- NextGen® Enterprise EHR
- NextGen® Enterprise PM

RESULTS

**16%
GROWTH**

With support from NextGen Healthcare's RCM team, Eye Specialty Group achieved **16% growth** in overall billings among all organizations rolled in under the practice's umbrella, including six optometric practices

**7 FEWER
FTEs**

Growth was achieved although the practice employed **7 fewer FTEs**, almost a one-third reduction of their internal RCM department, during the same period

**\$2.4
MILLION**

Optical billing went from **zero to \$2.4 million** in the span of one year, with a concurrent reduction in internal RCM staff



Revenue cycle continuity maintained—During the COVID-19 public health emergency, NextGen Healthcare RCM enabled the practice to maintain continuity of billing and related activities, such as collection and payment posting

two options—align themselves with businesses outside of the area or align themselves with our practice and our mission to provide quality eye care for the whole community—several optometrists expressed that they wanted to come on board with us.”

Private equity investors also began making overtures to optometric practices with the goal to acquire and consolidate them for resale. As a result, more optometrists expressed their desire to continue working with Eye Specialty Group.

“We felt we could better serve the Memphis eye-care community, being from Memphis. We wanted to offer an alternative to outside business consolidators,” explains Brown. “The consolidators still came into the community. We wanted to be ready to compete with them.”

THE SOLUTION

To make the optometry roll up happen, Eye Specialty Group found a trusted partner to provide professional and technology infrastructure needed to expand—NextGen Healthcare’s revenue cycle management (RCM) services.

“NextGen Healthcare’s RCM team showed us that they had the expertise we needed to better serve these newly acquired practices. Their solution was scalable,” says Brown. “This helped us quickly grow without hiring a large ancillary staff to support new optometry practices.”

Separate the business office from medical care

In 2014, Eye Specialty Group separated its business functions from its medical practice and created a business entity called Provident Practice Management Services. With support from NextGen Healthcare RCM services, this new entity began providing office management services for local optometry groups.

“We do our best to maintain the traditional eye-care community here in Memphis,” says Brown, “we work closely with the optometric community.”

Business relationships flourished. “We offered optometry practices the opportunity to become a part of the Eye Specialty Group team,” says Brown.

“Each office that joins us gets access to all our medical records. In turn, our doctors have access to their medical records. It’s an exciting way to boost the level of communication between our offices, improve efficiency and efficacy of care, and deliver a better comprehensive service to the patients,” he explains.

Before developing these close business relationships with optometry practices, gaining a full understanding of surgical results was a challenge. After patients returned to their optometrist for post-operative care, a surgeon from Eye Specialty Group had to gather post-operative data via fax, email, and mail. Assessing surgical results on a large scale was next to impossible.

By sharing their EHR platform with newly acquired offices, Eye Specialty Group can track outcomes of surgical patients and compile reports. The surgeon can identify trends or anomalies at a glance. This helps achieve superior quality of care.

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CEO, Provident Practice Management Services.
President, Provident ASC Holdings

Roll in optometry

In 2019, Eye Specialty Group began rolling in optometric practices, bringing them in under its own tax ID number. Optometrists joined the medical staff of Eye Specialty Group as employees. Administrative staff became employees of Provident Practice Management Services. Eye Specialty Group effectively expanded into primary optometric care.

Brown explains further, “We’re partnering with optometry practices interested in the medical aspect of eye care—treatment of glaucoma and macular degeneration, and care of diabetic patients. Practices that align with large regional and national consolidators are typically interested only in retail eye care services, such as selling frames and lenses. Optometrists who align with us understand the need to move to an EHR platform and run their practice on more of a medical model.”

“Usually, we find optometrists exhausted by the constant bombardment of changes in the industry. While they are high-quality doctors, they aren’t comfortable keeping up with all the regulatory and payer changes. They need help to manage the business side of the practice, such as tracking quality measures, reporting, and billing for the hundreds of different payers in our market. It’s too complicated for a small practice,” says Brown.

THE BENEFITS

Smaller optometric practices commonly rely on one person, often a spouse, to run their office. That individual struggles to keep up with the multitude of vision and medical plans, changes to both plans, and coordination of benefits. With support from NextGen Healthcare’s RCM services, Eye Specialty Group can offer relief, stepping in to manage claims, send out bills, collect money, and post payments.

Because optometrists who join Eye Specialty Group share the same EHR platform, they gain access to patient information from the ophthalmology practice. In the future, Eye Specialty Group hopes to pull in more patient information from area health systems into their EHR for even better data sharing.

“Optometrists appreciate becoming a more integral part of the medical community in Memphis. Our ability to deliver this benefit through NextGen Enterprise EHR has been a real benefit to them,” says Brown.

Better communication for better results

According to Brown, improved communication offers clinical and financial benefits in the management of common eye conditions, such as cataracts, macular degeneration, and glaucoma.

Cataracts

After cataract surgery, Eye Specialty Group sends patients back to their optometrists for post-operative exams. Optometrists outside Eye Specialty Group may document visual acuity using other platforms or, what’s worse, chart on paper. If they send in postoperative results—not all do—it’s usually by fax.

These outside optometrists bill for postoperative care, which cuts Eye Specialty Group’s fees by about 20 percent. If visual acuity test results come in, the practice must pay an employee to enter these results into their EHR, incurring a significant cost.

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If the optometry practice shares the Eye Specialty Group EHR platform, data can be entered, delivered, and tracked with much greater accuracy. No additional cost is incurred for entering visual acuity data into the system.

Macular degeneration

One clinical goal: Prevent progression from dry to wet macular degeneration. Dry type is more common, but it usually advances slowly. Wet type is more likely to cause a sudden change, resulting in serious vision loss.¹

Eye Specialty Group hopes to use data from their EHR platform to find patterns in their patient population that converts from dry to wet macular degeneration. This will support efforts of ophthalmic and optometric practices in the community to prevent this dangerous transition.

In addition to enhancing patient wellbeing, such efforts may lead significant cost savings for third-party payers. Potentially, Eye Care Associates can participate in shared savings. In order for this to happen, doctors must be on the same EHR platform or use systems that communicate effectively with Eye Specialty Group's EHR.

Glaucoma

Another goal of Eye Specialty Group: Identify patients at high risk for advancing glaucoma and focus attention on treating these patients. Glaucoma affects approximately 1.9 percent of individuals age 40 or older in the United States.²

In the Memphis area, thousands of people have glaucoma or a family history of the disorder. Instead of treating everybody with glaucoma in the same way, using data stored in the EHR to identify characteristics of patients more likely to convert to more serious forms of the condition may help target patients for additional management and reduce incidence of advanced disease.

Ride the consolidation wave

Recent trends and business headlines provide a strong indication that consolidation in the healthcare industry will continue for some time. Almost every tech giant—including Amazon, Apple, Microsoft, and Google through its parent company Alphabet, Inc.—has attempted to enter the healthcare space; while some efforts fail, others prove successful.³ From 2013 to 2016, private equity firms acquired 355 physician practices.⁴ In 2018, CVS completed its acquisition of Aetna, Inc. In 2019, Walmart opened its first in-store health clinic, offering primary medical, dental, vision, and mental health care.⁵

Eye Specialty Group offers a model for smaller practices to establish a community-based healthcare system to ride the wave of consolidation. This model may give ophthalmology, optometry, and other medical groups a choice in the face of powerful economic forces:

- Join in the wave of consolidation; or
- Create a healthcare system and, after consolidation has run its course, decide the best course of action.

“We looked for opportunities to roll up these optometric practices. However, one of the biggest hindrances was our lack of knowledge of the full picture of optometric practice. NextGen Healthcare’s RCM team helped us roll in these practices and support them. This helped us avoid the need to hire a large ancillary staff.”

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Practice administrator, Eye Specialty Group
CEO, Provident Practice Management Services.
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As time moves forward, Eye Specialty Group will have options. They can sell or merge with a consolidated healthcare entity or continue to contract with larger health systems as a separate eye-care business.

“We want to create the opportunity to make a decision when we feel the time is right,” says Brown, “whether to become acquired, merge with larger entities, or contract with them as an independent business. We want to define our future as opposed to having other groups define it for us.”



HOW CAN WE HELP YOU?

Partner with us at **855-510-6398** or **results@nextgen.com**.

1 Dry macular degeneration, Mayo Foundation for Medical Education and Research, 2020 <https://www.mayoclinic.org/diseases-conditions/dry-macular-degeneration/symptoms-causes/syc-20350375>. **2** "Incidence and probability of progression to blindness due to open-angle glaucoma decreases dramatically," Mayo Foundation for Medical Education and Research, May 01, 2014, <https://www.mayoclinic.org/medical-professionals/ophthalmology/news/incidence-and-probability-of-progression-to-blindness-due-to-open-angle-glaucoma-decreases-dramatically/mac-20430155>. **3** Christina Farr, "Tech giants have big ambitions in health, but do best when they stick to what they know," CNBC, December 31, 2019, <https://www.cnbc.com/2019/12/31/amazon-google-apple-and-other-giants-humbled-by-health-tech-failures.html>. **4** Joanne Finnegan, "Private equity firms are acquiring more physician practices. Which specialties are in highest demand?" FierceHealthcare, February 18, 2020, <https://www.fiercehealthcare.com/practices/acquisition-physician-practices-by-private-equity-firms-increases-study-finds-which>. **5** Eric Boehm, "Walmart's Entry into Health Care Could Be Hugely Disruptive in All the Best Ways," Reason Foundation, September 23, 2019, <https://reason.com/2019/09/23/walmarts-entry-into-health-care-could-be-hugely-disruptive-in-all-the-best-ways/>.

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