

Rand Software

Program management

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Comparing the advantages of a "medical accounting" system (m) with any "off the self" commercial system like Quick books or Pastel (c)

For any medical practice, the receipt of a BHF NUMBER implies that that practitioner will run his/her practice in a manner that is acceptable to an auditor of any of the BHF registered medical schemes.

The major difference would be that in a commercial system;
Commercial

- c1) the debtor is the person receiving the service and the person paying for the service.
A series of "work done" invoices may be generated and summarised into a monthly statement (like a plumber doing contract work) or an invoice and statement may be generated at the same time
Discounts are often given.

Medical

- m1) the patient receives the service - The medical scheme may fund the treatment but the main member remains responsible for this patients' account. There are no invoices only a professional statement with transactions which have a Reference number, Date of treatment ; the tariff code ; the cost & the ICD10 codes.
No discounts should be given
How does the medical scheme handle discounts?
The medical schemes cannot normally handle discounts.
Discounts may imply that you are overcharging.

Commercial

- c2) The account should be paid within a certain period

Medical

- m2) If the account is not submitted within 90/120 days the medical scheme may(will) not pay it.
Furthermore:
The scheme cannot pay out if the scheme has run out of funds
The scheme cannot pay if the patient has exhausted their funds
The scheme may not pay if there is a "mistake" on the statement
The scheme may not pay if their clerks think there is a mistake on the statement.
If your medical practice is "cash only"
your patients may be told that the "statement is wrong !" by the schemes clerks and cannot be paid.
Your patient may contact you and let you know:
Then you could follow corrective measures
ie check the statement - contact the person at the scheme

or

Your patient may complain to their doctor who referred them to you -

All doctors also have problems with the schemes

So it is not taken too seriously.

However I know of doctors who have stopped referring patients because of too many complained.

A medical debtors system is written to reduce some of the above problems.

ie it focuses on the treatment date , the medical scheme and that patients' ICD codes.

- c3) There is a debtors age report for "current amounts" -30 60 90 120 days due.
m3) There is a debtors age report for "current amounts" -30 60 90 120 days due.
There is ,in addition to the above ,also an age breakdown per medical scheme
So the practitioner may see how well a scheme is paying.

- c4) You may have to type in all your tariff codes
Most of the medical schemes
Your referring doctors details
You would have to set up the commercial statement to meet the legally binding requirements of the CMS
You would have to keep abreast of any changes in the medical schemes legislation.

- m4) You would have to enter your referring doctors details
If the medical schemes change their requirements
- you should order an upgrade to your medical program
- you also should keep abreast of any changes in the medical schemes legislation.

c5) -?

- m5) There is a program # 5 "Check your transactions"
This program may be run at any time
and it will check for most errors
eg Does the medical scheme exist?
Is the patients medical scheme patients number entered?
Does the code of the referring doctor exist on file?
Are the dates reasonable ? Not too far back in the past?
Never in the future?

- c6) There are transaction reports
m6) There are transaction reports that allow the daily patient diary to be checked against the patients on computer to confirm that all that had treatments have been billed.

- c7) You can correct / delete transactions
you normally have to pass journals to correct mistakes
m7) You can correct / delete transactions and it is done in a way that reduces mistakes
We do NOT pass journals as it may become confusing.
we allow direct corrections and save the corrections to a Deleted/correction transaction file.
You can go to your "help" programs and recall the wrongly deleted patient transactions
(saving hours of work)

- c8) There is an audit system.
- m8) There is an audit system whereby you can check and see if you have "lost" any transactions or money (on the help programs)

C9) The accounting system is perpetual - date driven
m9) The accounting system is perpetual - date driven
This means that reports and statements are run from a date
On older systems they speak of "monthly cut-off"

C10) The accounting system is cheaper as it does less than a medical accounting system and thousands more are sold

M10) Medical accounting systems are more expensive. but the time you save and the money saved/made; compensates soon

C11) Development is based on the needs of commercial users and their auditors
- updates (replacement programs) are seldom sent out.

M11) Development is based on the needs and mistakes medical practitioners make. Each mistake or suggestion is numbered and kept until a solution is found - sometimes years pass before a better way is found - These are then sent to all users as updates -

C12) Would not be able to help with a medical scheme query
M12) Should always be asked about any medical scheme query (some queries cannot be resolved)

C13) Software is available within 2 days
M13) Software needs your details and files pertinent to your practice loaded - takes 5 working days

C14) Mistakes are corrected when found
M14) Mistakes are normally not allowed (but may be corrected)

I have converted some medical practices from commercial systems to medical systems. These practices would have saved thousands of rand if they had started with a proper medical debtors system in the first place and may have had less problems with their referring doctors and patients.

Important

If the user is accounting literate then I would recommend that they first get the medical package up and running and then also get a commercial package ie Omni for the ledger
