

## **Urgent Care's New Year Resolution: Zero Errors**

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From the time a patient arrives at an urgent care center, providers and staff work in a coordinated fashion to assure that the patient's demographic and payment information is correctly entered into the practice management system; that medical complaints are accurately documented, evaluated, and diagnosed; and that patients understand and follow provider instructions in their treatment plans, among other activities.

At any step of the patient's visit, errors can occur resulting in missed or inaccurate diagnoses, non-payment for services, or patient dissatisfaction with wait times, provider and staff interactions, and medical outcomes. Dissatisfied patients not only tend to take future medical needs elsewhere; they tell friends and family to avoid a repeat of their experience; they file complaints with payers, licensing and regulatory entities; and they post negative comments on social media and consumer rating websites. All of these patient responses to error adversely affect an urgent care center's ability to serve its community and to drive profitable business in the future.

While precise error rates in urgent care centers have not been studied, the occurrence of errors in primary care settings are high, particularly in regards to documentation and medication:

- Diagnostic errors in 3.6% of visits
- Decision making errors in 14.5% of visits
- Investigation errors in 21.7% of visits
- Medication errors in 41% of visits
- Documentation errors in 53.2% of visits

While many of these errors might be considered "minor," prevalence of "adverse events" in primary care has been estimated at 3.7 per 100,000 clinic visits, 83% of which are viewed as preventable. Combined, these statistics mean primary care patients are "unharmed" 99.9963% of the time but are regularly underserved.

As Vice President of Corporate Development for Concentra Urgent Care, I travel to many of the company's 300 mixed-model occupational health and urgent care centers each year. My preferred, Texas-based airline and its affiliates complete roughly 6,700 flights per day. Imagine if this airline touted an "adverse event" rate of 3.7 per 100,000 flights? That would mean one of its planes would crash roughly once every four days. Would you trust an airline that reports two crashes per week? 100 crashes per year? How long would such an airline remain in business?

Clearly when put into a different context, a 0.0037% failure rate is completely unacceptable. Every plane must land. So, why would the urgent care industry plan for anything less than 100% accuracy? And why do urgent care operators build tolerance of error into their systems and processes?

Consider the impact of errors from a financial perspective. Using cost accounting, an urgent care operator can identify the percentage of a \$120-flat rate visit that goes to salaries, billing, rent, marketing, supplies, and other expenses. Although urgent care profitability varies widely depending on the center's ownership structure and how its providers are paid; assuming a robust 15% margin, an urgent care center should expect to "profit" about \$18 per patient visit.

Now, let's assume that the cost to process an insurance claim is \$18 per visit. A front office receptionist incorrectly records a patient's demographics and confuses the primary and secondary insurance, resulting in the center receiving a "Zero EOB" or insurance denial of the claim. What would have been an \$18 profit had the visit been processed correctly gets completely wiped out as an additional \$18 is spent correcting and resubmitting the claim. The outcome, due to the front office error, is that the center won't profit from this particular patient visit. Worse, management error rates approaching 50% could mean that a center is making zero profit on half the patients it serves. Multiple errors requiring multiple re-touches could even result in financial losses. The point is: overall margins in urgent care are "slim" and simply do not allow for costly re-work. Visits need to be "one and done," or "correct the first time, every time."

In addition to erasing financial returns, errors can result in employee disengagement and turnover. From a provider and staff perspective, fixing errors from past patients detracts from the service they're able to provide patients who are currently in the center. Efficiency suffers as re-work and follow-up brings a duplication of effort. If additional staff is not added, wait times increase and customer service deteriorates. Dissatisfied patients then take their frustrations out on the front line staff, which experiences constant stress as the "face" of the practice. Employees who spend an inordinate amount of time correcting the previous day's errors start to report a "Groundhog Day" existence with no forward movement. When demoralized employees eventually quit, between 100 and 150 percent of their salary is spent in recruiting, onboarding and training their replacements. Net/net, it's always more expensive to correct problems than to prevent them and time spent in re-work takes away from positive activities that build the business.

Understanding that process errors are something that no urgent care center can afford, how can the urgent care operator move towards a culture of prevention? Such requires aligning systems, processes and management for continual improvement and entails:

- Active management of processes and people
- Defined methods and procedures supported by systems
- Demonstrated roles and responsibilities
- Reporting and feedback loop for continual improvement

The benefit to the urgent care operator of a working plan for preventing errors is recaptured time and a reduction in total labor. Efficiency improvements create capacity for the center that can be used to grow revenues by expanding volume or starting new services. Or, alternatively, excess capacity can be isolated and eliminated (i.e. staffing reductions) resulting in reduced operating costs and increased profitability.