



# CREATING A SUCCESSFUL After-Hours Clinic

If you'd like to tame your call load, increase patient satisfaction and make money while you sleep, consider opening an after-hours clinic.

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**A**n after-hours clinic is a great complement to a busy family practice. It has the potential not only for improving revenue (and helping you make money while you sleep) but also for increasing satisfaction among patients, office staff and physicians. Primary Care Partners, now a 23-physician group of family physicians and pediatricians in Grand Junction, Colo., established such a clinic in 1998. Nearly five years later, we cannot imagine how we ever got along without it.

## The context

In 1997, our family practice group had grown to nine physicians. Evening and weekend call was less frequent than it had been in previous years yet still intolerably busy. We could never make it through one of our kids' basketball games without an interruption. Our older partners did not have the energy to make it through a night of call and work the next day. We were concerned that young doctors would not join us with such a demanding call load. The phone rang constantly, and we were so busy (often with tasks nonphysicians could handle) that when revenue-producing opportunities arose, such as a complicated admission, it was hard to properly attend to them.

We also discovered during this time that having our office open Monday through Friday and Saturday mornings was not adequate for our patients. Monday morning was a volume disaster, as our patients tried very hard not to bother us on the weekend. Occasionally patients waited too long, causing unnecessary harm. Our patients are from busy families, frequently with both parents working, and many had a difficult time getting in to see their doctor Monday through Friday during the day. From their perspective, weekend and evening appointments made much more sense, but we had avoided offering after-hours care primarily to accommodate our staff and our families.

We tried setting up a "convenience room" at our local hospital to see patients after hours, but it earned the nickname "inconvenience room." The hospital did not charge us for using the room, but we had no staff to assist us and no medical records in reach. When we asked the local emergency room physicians to see our after-hours patients, the long waits, over-testing and high costs were unacceptable. And our phones kept ringing.

We then tried staffing one of our offices after hours with a nurse and having the on-call physician come in and see patients when needed. This was an improvement over our

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Five years ago, the authors' group opened an after-hours clinic to relieve an intolerably busy call schedule and improve patients' access to care.



The crucial factor in the success of any after-hours clinic is having the necessary patient volume.



Given the clinic's potential for reducing ER utilization rates, insurers agreed to a facility fee and one allowed the group higher reimbursement through an after-hours modifier.



By letting the administrative support staff grow slowly with the revenue stream, the group has created a profitable after-hours clinic.

original on-call routine and quite cost effective, but it was still more convenient to send patients to the emergency room than to call in the physician or interrupt hospital care. And our phones kept ringing.

Several years earlier, one of the offices within our group had started a walk-in clinic at a local mall. This venture failed because of overstaffing and inadequate patient volume, but it gave us some experience in how not to do things. Because family physicians tend to run the most effective and efficient offices around, we knew we already had the administrative skills to run an after-hours clinic. We just needed enough patient volume to make it work.

In the late 1990s, our nine-physician group merged with a four-physician family practice group and a seven-physician pediatrics group to position ourselves for changes in our local market. In addition, the merger gave us the necessary patient volume to support a staffed after-hours clinic and telephone triage system. We had done a detailed financial evaluation and realized we needed to see 12 patients in an evening and 31 patients on a weekend day to break even. Operating under a financially unified structure, we could share profits from an after-hours clinic without any interference from our friend Stark. (Although in our case it made the most sense to merge the practices, small practices could achieve the critical patient volume by setting up a separate corporation for the after-hours clinic.)

We decided at the outset that we did not want our clinic to be an emergency room or a walk-in clinic or to play the role of "primary doc" for anyone. Instead, we wanted to serve patients who already had a personal physician in town (or who were visiting family members or were friends of established patients). To set up our fee schedule, we used a slightly higher conversion factor than for our daytime fees, and we decided to offer a 15 percent discount for cash payment at the time of service. Because most patients visiting the after-hours clinic would already belong to our practices, we would only be charging established patient fees, but we would not have to set up new accounts. We then negotiated a facility fee with our major insurers, who were supportive of our

## KEY POINTS

- An after-hours clinic can help a busy family practice improve revenue and increase satisfaction among patients, office staff and physicians.
- In the authors' analysis, their after-hours clinic needed to bring in 12 patients per evening and 31 patients per weekend day to break even.
- Local insurers should be supportive of an after-hours clinic, as it has the potential for reducing inappropriate ER and hospital utilization rates.

after-hours clinic, given its potential for reducing ER utilization rates. One insurer even agreed to reimburse us at a higher rate for claims we submitted with the after-hours modifier.

The next step was to hire a nurse administrator to run the clinic and to work shifts when staffing was difficult. For a medical director, we hired one of the owner-physicians. Our plan was to avoid the heavy up-front administrative expenses that had doomed the prior attempt and let the administrative support staff grow with the revenue stream.

### Open for business

In 1998 our facility opened. It consists of six exam rooms and two procedure rooms in a remodeled wing of our pediatric group's practice. Our three-group merger resulted in a lab and X-ray facility, immediately adjacent to the after-hours clinic and available for use. Staffing consisted of two receptionists, one CNA/nurse, one X-ray/laboratory technician and one physician. Our staff size is now greatly expanded and varies by day of the week and by season of the year, depending upon volume. Early on we were pleased to see 10 patients on a

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given weeknight and 20 on weekend days. Currently we see up to 50 patients on weeknights and 60 to 100 on weekend days. After several modifications, our after-hours clinic's schedule now looks like this:

- Monday through Friday: 5 p.m. to 10 p.m.
- Saturday: 9 a.m. to 10 p.m.
- Sunday: 10 a.m. to 10 p.m.
- Holidays: hours vary based on staff and patient needs.

## SPEEDBAR®

As part of our after-hours clinic, we established a nurse-triage system. All after-hours phone calls for our physicians go through the receptionist and nurses in the after-hours clinic during the hours it is open. All prescription questions are handled by the nurses, using the physician on duty as backup. Our nurses give their clinical advice on these matters and document their actions. Patients needing to be seen are offered an appointment with the physician.

We pay our physicians \$70 per hour to staff the after-hours clinic. We also have a physician on call after hours. The two physicians can trade off staffing the clinic if admissions, deliveries or school plays come up. When the on-call physician is not working in the clinic, he or she carries a pager and handles matters that require a doctor's presence — and that are reimbursable: hospital admissions, hospital care, emergency room care and nursing home care. The on-call physician also goes to his or her kids' soccer games. He or she must field all phone calls after 10 p.m., when the after-hours clinic closes, but such phone calls are few. When patients

know they can be seen until 10 p.m., they manage to get most everything taken care of by that time.

To help our after-hours clinic grow quickly, we did some initial marketing within our practices and with the other physicians in town. The local HMO encouraged its members to use us and helped with some start-up costs, as its administrators saw us as a much less expensive alternative to the local emergency rooms. After a couple of years, we were a household word in the com-

## AVERAGE NUMBER OF PATIENT VISITS PER WEEK BY SEASON

The following table details the weekly patient-visit volume for the authors' after-hours clinic.

	Winter flu season	Summer season
Mon	30	28
Tue	21	25
Wed	24	21
Thu	26	25
Fri	26	23
Sat	123	73
Sun	87	54

munity and patients were begging to come to our clinic. (We always contact their personal physician to confirm their approval.) Specialists have been willing to come to the clinic to do consults. We set up an emergency room "dysutilization" program, under which a staff person contacts our patients who have gone to local emergency rooms for problems we could easily manage in our clinic and informs them of our after-hours service. Some

third parties are paying us a case management fee for this service.

## The rewards

Patients love the after-hours clinic. They rarely question the cost and are amazed to be seen quickly by a caring physician in a calm setting on a weekend, holiday or evening. The word spreads quickly. We saw 14,000 patients last year being open 50 hours a week. Practice volume details are included in the table above.

Staff enthusiasm has also been high. We have great leadership and a great staff of nurses and front-office personnel who enjoy the variety of working in the after-hours clinic and the patient appreciation. There is a real personnel advantage to sharing the same business structure with a daytime practice. We start full-time benefits at 32 hours per week. Few employees want to work

CHARGE COMPARISON:  
AFTER-HOURS CLINIC VS. LOCAL ER

	After-hours clinic	Local ER
Physician and facility fees	\$127	\$400-\$500
Lab and X-ray	\$11	NA
Total cost per visit*	\$138	\$400+

\*Costs based on average charges for comparable diagnoses over 12 months.

Note: Our collection rate for the after-hours clinic is 63 percent, about 3 percent lower than for the rest of our practices.

After hours, the group has one physician staffing the clinic and one physician on call, and the two physicians can relieve one another as needed (e.g., for deliveries, admissions or school plays).

To help grow the after-hours clinic quickly, the group marketed it to their patients and to other physicians in town, and secured support from the local HMO.

The group's emergency room "dysutilization" program identifies patients who have gone to local emergency rooms for problems easily managed in the clinic and informs them of the group's after-hours service.

Patients love the after-hours clinic and are amazed to be seen quickly by a caring physician in a calm setting on a weekend, holiday or evening.



Thanks to the after-hours clinic, daytime staff are now out of the office by 5:30 p.m., and Monday mornings are less hectic than they used to be.



The group's emergency room utilization rates have improved, as have hospital admission rates, due to patients being seen in a more timely fashion.



To minimize overstaffing in the after-hours clinic, nurses and lab and X-ray technicians are sometimes put on call.



The group's after-hours clinic has generated a 28-percent average profit for the first four years, but the benefits go far beyond the dollars.

evenings and weekends exclusively, but we have several employees who work part-time days in our office and part-time evenings or weekends in the clinic and qualify for benefits. This combination allows them innovative ways to organize their personal time.

The effect on our regular daytime practices has been impressive. Staff are now out of the office by 5:30 p.m. Patients who call our regular offices after schedules are full are given appointments at the after-hours clinic. There is much less need to add additional appoint-

ments at day's end. Mornings, particularly Mondays, are much less of a blitz than they used to be. Friday afternoons are no longer full of last-minute panic visits because patients can be scheduled that evening or on the weekend.

As expected, ER utilization rates for our practices are impressive. Insurance companies love them. An unexpected benefit has been fewer hospital days as well. We are convinced that attending to patients' needs in a more timely fashion greatly reduces hospital utilization. Our rates compared to other family physicians in our area (very good FPs, also very cost conscious) are listed in the table below.

### The downsides

Of course, there are problems. We occasionally see a patient with chest pain who should have gone to the hospital, and we get our share of frequent fliers (e.g., drug

seekers); however, the after-hours clinic is a much better setting to see drug seekers than an emergency room, where there is more expense and less access to office records.

Staffing is also a challenging issue. Our nurse administrator has tried to minimize overstaffing while covering the variable load. During heavily scheduled times, staff may be sent home if volume drops off. If volume increases heavily, nurses are available on call. They are paid an hourly on-call fee and paid time and a half when called in.

Lab and X-ray are also difficult to manage. Since cross coverage is awkward and technicians are too expensive to have sitting around with no work, they are also put on call when volume is light. Billing and collecting for these services can also be a challenge. Insurers will pay well for the after-hours clinic but not for lab and X-ray services, so we have had to shift some revenue from another area of the clinic to pay expenses in this area. It is essential to have these services, but go into it with your eyes open, a good technical advisor and a realistic operational plan. With our volume, lab and X-ray became profitable in year four, but it will be years before we recoup the start-up losses.

### All in all, a success

Our after-hours clinic has generated a 28-percent average profit for the first four years, enough that we will be able to improve our facility and still be profitable.

But the benefits go far beyond the dollars.

The after-hours clinic has been the most successful innovation in primary care delivery in our community in recent memory. Patients love it. Office staff love it. Physicians love it. Insurance companies love it. Hospitals can't compete with it. And family physicians can do it really well. **FPM**

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### ER AND HOSPITAL UTILIZATION RATES

The following table compares the 2002 ER and hospital utilization rates of the family physicians in Primary Care Partners and all other family physicians in Mesa County, the county in which the group operates. The group credits its after-hours clinic with helping to keep its rates low.

	FPs in Primary Care Partners	Other FPs in Mesa County
ER visits per 1,000 enrollees		
Commercial	86/1,000	178/1,000
Medicaid	428/1,000	681/1,000
Hospital days per 1,000 enrollees (non-Medicare, non-Medicaid)	140/1,000	171/1,000