

CHECKLIST 1: Cash Flow Medical Practice Management Concepts	YES	NO
<i>Determine if the following cash flow management concepts are appropriate for your medical practice:</i>		
<p>Am I a cash flow office manager or physician in-charge?</p> <p><i>If you answer NO:</i> Is there a cash flow audit committee in place?</p> <p><i>If you answer YES:</i> Do I know my office's cash flow amount, timing and recent changes?</p> <p>Do I know how much working capital is available to my office or department?</p> <p>– Are all significant department activities covered in my office budget that affects working capital?</p> <p>– Do I understand my medical office or department's working capital budget activities?</p> <p>– Are cash management tools available to me?</p> <p>– If so, do I use and understand them?</p> <p>– Is the exposed working capital amount too much?</p> <p>– Is the exposed working capital amount too little?</p> <p>– Can I collect the cash accounts more efficiently?</p>	<p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p>	<p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p>
<p>Has my medical practice or healthcare department evaluated its Cash Conversion Cycle in-house and complied with legal limitations?</p> <p>If not, has the Cash Conversion Cycle been outsourced?</p> <p>If it has been outsourced, do I have control over its turnover rate?</p> <p>Am I aware of its cost?</p>	<p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p>	<p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p> <p><input type="radio"/></p>
<p>Is the Cash Conversion Cycle electronic or traditional paper claims?</p> <p>Are all Cash Conversion Cycles transactions in compliance with generally accepted accounting principles (GAAP), and HIPAA privacy standards?</p>	<p><input type="radio"/></p> <p><input type="radio"/></p>	<p><input type="radio"/></p> <p><input type="radio"/></p>
<p>Is there a HIPAA Business Associate Agreement in place for outsourced cash flow management duties?</p> <p>If not, is an auditor or supervisor regularly informed of this privacy information?</p>	<p><input type="radio"/></p> <p><input type="radio"/></p>	<p><input type="radio"/></p> <p><input type="radio"/></p>
<p>Am I aware of the external sources available to me, my practice or my department for short-term financing?</p>	<p><input type="radio"/></p>	<p><input type="radio"/></p>
<p>Do I know the criteria used when investing the short-term cash of my department?</p>	<p><input type="radio"/></p>	<p><input type="radio"/></p>
<p>Am I in control of practice or corporate/departmental cash?</p>	<p><input type="radio"/></p>	<p><input type="radio"/></p>
<p>Do I understand the importance of a cash budget?</p>	<p><input type="radio"/></p>	<p><input type="radio"/></p>
<p>Do I know why we need to hold or disperse cash?</p>	<p><input type="radio"/></p>	<p><input type="radio"/></p>
<p>Do I know where practice or departmental cash is generated, and/or spent?</p>	<p><input type="radio"/></p>	<p><input type="radio"/></p>
<p>Do I have practice cash budgeting authority?</p>	<p><input type="radio"/></p>	<p><input type="radio"/></p>

– use a certified medical coder?	<input type="radio"/>	<input type="radio"/>
– have the doctor or medical care provider directly provide the procedural code to the insurance staff?	<input type="radio"/>	<input type="radio"/>
Do we really know Medicare policy, rules and regulations?	<input type="radio"/>	<input type="radio"/>
Do we have a copy of the most current <i>Medicare Provider Manual</i> (www.HCFA.gov)?	<input type="radio"/>	<input type="radio"/>
Do I read the monthly <i>Medicare News</i> ?	<input type="radio"/>	<input type="radio"/>
Do I understand the <i>CMS Correct Coding Initiative</i> ?	<input type="radio"/>	<input type="radio"/>
Do we copy both sides of drivers' licenses and insurance cards for coverage verification and personal identification?	<input type="radio"/>	<input type="radio"/>

CHECKLIST 3: Accelerating the Medical Practice Cash Conversion Cycle	YES	NO
Do we use interim billing for longer hospital admissions or surgeries?	<input type="radio"/>	<input type="radio"/>
Do we use advanced deposits for elective or non-emergent admissions?	<input type="radio"/>	<input type="radio"/>
Do we obtain pre-admission insurance verification?	<input type="radio"/>	<input type="radio"/>
Do we prepare bills during hospitalization not at discharge?	<input type="radio"/>	<input type="radio"/>
Do we ensure physician completion of medical records in a timely fashion?	<input type="radio"/>	<input type="radio"/>
Do we deliver bills to postal authorities, or electronic clearinghouse, daily?	<input type="radio"/>	<input type="radio"/>
Do we use electronic billing where available?	<input type="radio"/>	<input type="radio"/>
Do we submit deductible and co-payment invoices at discharge?	<input type="radio"/>	<input type="radio"/>
Do we use discount programs for prompt payment?	<input type="radio"/>	<input type="radio"/>
Do we use dunning letters and telephone calls for collections?	<input type="radio"/>	<input type="radio"/>
Do we follow-up quickly to TPA request for additional billing information?	<input type="radio"/>	<input type="radio"/>
Do we claim bad debt on Medicare deductibles and co-payments?	<input type="radio"/>	<input type="radio"/>

CHECKLIST 4: Practice and Financial Manager Knowledge Base	YES	NO
Am I confident of my knowledge of the following total medical practice margin percentages:		
– Operating margin?	<input type="radio"/>	<input type="radio"/>
– Non-operating margin?	<input type="radio"/>	<input type="radio"/>
– Deductible ratio?	<input type="radio"/>	<input type="radio"/>
– Mark-up ratio?	<input type="radio"/>	<input type="radio"/>
– Return on total assets?	<input type="radio"/>	<input type="radio"/>
Am I confident of my knowledge of the following medical practice liquidity ratios:		
– Current ratio?	<input type="radio"/>	<input type="radio"/>
– Average payment period?	<input type="radio"/>	<input type="radio"/>

– Days cash-on-hand?	<input type="radio"/>	<input type="radio"/>
– Days in-AR?	<input type="radio"/>	<input type="radio"/>
Am I confident of my knowledge of the following medical practice capital structure ratios:		
– Equity financing?	<input type="radio"/>	<input type="radio"/>
– Long-term debt to equity?	<input type="radio"/>	<input type="radio"/>
– Fixed asset turnover?	<input type="radio"/>	<input type="radio"/>
– Cash flow to debt?	<input type="radio"/>	<input type="radio"/>
– Capital expenses?	<input type="radio"/>	<input type="radio"/>
– Long-term debt per bed?	<input type="radio"/>	<input type="radio"/>
– Times interest earned?	<input type="radio"/>	<input type="radio"/>
Am I confident of my knowledge of the following asset efficiency indicators:		
– Total asset turnover?	<input type="radio"/>	<input type="radio"/>
– Fixed asset turnover?	<input type="radio"/>	<input type="radio"/>
– Current asset turnover?	<input type="radio"/>	<input type="radio"/>
– Net fixed assets per bed?	<input type="radio"/>	<input type="radio"/>
Am I confident of my knowledge of the following hospital volume indicators for hospital based medical practices, surgeons and doctors:		
– Beds?	<input type="radio"/>	<input type="radio"/>
– Discharges?	<input type="radio"/>	<input type="radio"/>
– Discharges per bed?	<input type="radio"/>	<input type="radio"/>
– Patient days?	<input type="radio"/>	<input type="radio"/>
– Occupancy rate?	<input type="radio"/>	<input type="radio"/>
– Average length-of-stay (LOS)?	<input type="radio"/>	<input type="radio"/>
– Medicare LOS?	<input type="radio"/>	<input type="radio"/>
– Medicaid LOS?	<input type="radio"/>	<input type="radio"/>
– Indemnity LOS?	<input type="radio"/>	<input type="radio"/>
– MCO LOS?	<input type="radio"/>	<input type="radio"/>
– Payor mix?	<input type="radio"/>	<input type="radio"/>
Am I confident of my knowledge of the following hospital or medical practice pricing indicators:		
– Price per discharge?	<input type="radio"/>	<input type="radio"/>
– Salaries per discharge?	<input type="radio"/>	<input type="radio"/>
– Costs per discharge?	<input type="radio"/>	<input type="radio"/>
– FTE per occupied bed?	<input type="radio"/>	<input type="radio"/>
– Salary per FTE?	<input type="radio"/>	<input type="radio"/>
– Facility wage index?	<input type="radio"/>	<input type="radio"/>
Am I confident of my knowledge of the following office profit indicators:		
– Profit per discharge?	<input type="radio"/>	<input type="radio"/>
– Total margin?	<input type="radio"/>	<input type="radio"/>

– Days cash-on-hand?	<input type="radio"/>	<input type="radio"/>
– Long-term debt-to-equity?	<input type="radio"/>	<input type="radio"/>
– Net price per-discharge?	<input type="radio"/>	<input type="radio"/>
– Capital cost per-discharge?	<input type="radio"/>	<input type="radio"/>

CHECKLIST 5: Financial Statements Knowledge Base	YES	NO
Am I confident of my knowledge of our medical practice's Balance Sheet:		
– Fixed assets?	<input type="radio"/>	<input type="radio"/>
– Cash and equivalents?	<input type="radio"/>	<input type="radio"/>
-- Current assets?	<input type="radio"/>	<input type="radio"/>
-- Accounts receivable [ARs]?	<input type="radio"/>	<input type="radio"/>
– Intangible assets?	<input type="radio"/>	<input type="radio"/>
– Current liabilities	<input type="radio"/>	<input type="radio"/>
– Accounts Payable [APs]?	<input type="radio"/>	<input type="radio"/>
– Short-term liabilities?	<input type="radio"/>	<input type="radio"/>
– Long-term liabilities?	<input type="radio"/>	<input type="radio"/>
– Net working capital?	<input type="radio"/>	<input type="radio"/>
– Hospital equity?	<input type="radio"/>	<input type="radio"/>
	<input type="radio"/>	<input type="radio"/>
	<input type="radio"/>	<input type="radio"/>
Am I confident of my knowledge of our medical practice's Cash Flow Statement:		
– Operating activities?	<input type="radio"/>	<input type="radio"/>
– Investing activities?	<input type="radio"/>	<input type="radio"/>
– Financing activities?	<input type="radio"/>	<input type="radio"/>
– Direct methodology?	<input type="radio"/>	<input type="radio"/>
– Indirect methodology?	<input type="radio"/>	<input type="radio"/>
– Profit margins?	<input type="radio"/>	<input type="radio"/>
– Hospital efficiency?	<input type="radio"/>	<input type="radio"/>
	<input type="radio"/>	<input type="radio"/>
Am I confident of my knowledge of our medical practice's Net Income Statement:		
– Income sources and uses?	<input type="radio"/>	<input type="radio"/>
– Expense sources and uses?	<input type="radio"/>	<input type="radio"/>
– Adjustment to net income?	<input type="radio"/>	<input type="radio"/>
– Accrual accounting method?	<input type="radio"/>	<input type="radio"/>
– Cash accounting method?	<input type="radio"/>	<input type="radio"/>
	<input type="radio"/>	<input type="radio"/>
Am I confident of my knowledge of our practice's Statement of Shareholder's Equity?	<input type="radio"/>	<input type="radio"/>
Do I regularly read, review and understand these financial statement entries:	<input type="radio"/>	<input type="radio"/>
– Footnotes?	<input type="radio"/>	<input type="radio"/>
– Management's Decision and Analysis of Financial Condition and Results of	<input type="radio"/>	<input type="radio"/>

Operations [MD&A]		
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CHECKLIST 6: Medical Practice Economic Business Risk Knowledge Base	YES	NO
Am I confident of my knowledge of the following expected economic business risks and returns for my medical practice or clinic:		
– Variance?	<input type="radio"/>	<input type="radio"/>
– Standard deviation?	<input type="radio"/>	<input type="radio"/>
– Co-efficient of variation?	<input type="radio"/>	<input type="radio"/>
– Cost of capital?	<input type="radio"/>	<input type="radio"/>
– Capital structure?	<input type="radio"/>	<input type="radio"/>