



PHYSICIANS FINANCIAL & MANAGEMENT SERVICES, LLC

PROVIDING A "CRITICAL LINK" IN MEDICAL CASH FLOW MANAGEMENT



Business Overview

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Cordova, Tennessee 38018
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Michael R. Edmonds, CHBME
Owner / Executive Director
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www.pfmsllc.com

Business Summary

- Year Established: 1983
- Number of Current Employees: 27 Full Time & 3 Part-Time
- Business Type: Limited Liability Company
- Owner: Michael R. Edmonds
- Location: Cordova, TN
- Annual Medical Claims Processed ⁽¹⁾: \$40,440,180
- Net Collection Ratio ⁽²⁾: 93%

Notes:

⁽¹⁾ The medical provider determines fees that are applied to services performed.

⁽²⁾ The net collections ratio is that percentage of total collectable money that the medical provider successfully collected (total collections minus refunds divided by total charges minus contractual adjustments).

Business Description

The healthcare billing and collection industry is rapidly expanding to an \$18 billion industry. The outsourcing of medical billing continues to demonstrate tremendous growth as the complexity of billing and coding increases and physicians migrate to individual practices or smaller groups. **Physicians Financial and Management Services, LLC (PFMS) is an established medical billing and revenue cycle management company with a local client base.** PFMS business efforts have been with Cardiology, Internal Medicine, Family Medicine and Urgent Care medical practices. **PFMS has a strong background in medical reimbursement and medical practice workflow efficiencies.** PFMS is ready to take on the challenge of working with additional medical providers wanting to outsource their medical billing to reduce operating costs and increase profits.

PFMS Vision Statement

More than a quarter-century PFMS' dedication has been to Office-Based Medical Provider Practices.

Office-based medical providers are part of the basic foundation of Mid-South healthcare system. PFMS is committed to its role in ensuring that medical providers are compensated fairly for the services they provide to their community. **At PFMS we feel that in order for our healthcare professionals to continue giving quality care to their patients, full and timely payment for their services is a necessity.** This personal dedication to medical providers' welfare underlies PFMS' entire approach to doing business. We stress personal service – to our clients and to their patients. PFMS is accessible, available, and accountable.

PFMS' vision is to help improve healthcare in the Mid-South, one office-based medical provider at a time. *We accomplish this by:*

- Competing on value, quality and service
- Delivering higher monthly cash collections for our clients
- Emphasizing personal service
- correctly and consistently executing the fundamentals,
- maintaining rigorous and high standards for coding and compliance.

Since 1983 we've been fulfilling this vision for our clients by hard work, dedication and consistent execution of the fundamentals, all within a framework of the PFMS highest ethical standards.

PFMS Objectives

The following business objectives are the benchmarks to PFMS success:

- **Increase** Medical Provider's **Cash Flow**
- **Lower** Administrative **Stress & Time**
- Faster Reimbursement of Claims
- **Reduction of Errors & Inaccuracies**
- **Lower** total Billing **Costs** (*High fixed costs of personnel needed in physicians office converted to variable of cost of billing*)
- **Reduce** Patient Accounts Receivable **Dollars Outstanding**
- **Free up In-Office Staff** to Focus on Other Important Duties
- **Resolve Medical Billing Inquires** from Patients & Insurance Companies
- Help in **Promoting** and Fostering **Patient Good Will**

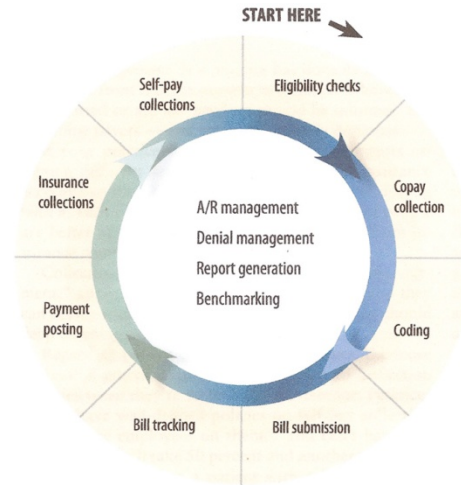
Customized Business Solutions & Services

PFMS offers a complete range of services that can be tailored to meet the Medical Providers specific needs, including:

- Computer Software
- Patient Appointment Scheduling Software
- Computer Data Entry
 - New Patient Registration
 - Patient Demographics
 - Office/Hospital Charges
 - Payment Data Entry
 - Adjustment Data Entry
- Patient Insurance Verification
- A/R Management
 - Unpaid insurance follow up
 - Unpaid patient follow up
 - A/R Inquiries
- Payer Contract Analysis & Monitoring
- Medical Providers Payer Credentialing
- Healthcare Compliance Resources
- Billing Policies & Procedures
- Fee Analysis
- Reimbursement Analysis
- CPT/ICD-9 Coding & Analysis
- Chart Auditing
- Super-Bill Analysis
- Conduct Monthly A/R Performance Meetings
- Oversees Insurance Claims Processing/Work Rejects
- Monthly Patient Statement Processing
- In-office staff training

Revenue Cycle Management Process

The Healthcare Financial Management Association (HFMA) defines revenue cycle as “All administrative and clinical functions that contribute to the capture, management, and collection of patient service revenue.”



Each point in the revenue cycle represents a “moment of truth.”

Why Mid-South Medical Providers Outsource the Revenue Cycle Management Process to PFMS?

*PFMS' focus is simple and direct. We focus on helping Medical Providers **improve** their financial **bottom line**, by applying six essential qualities: **accuracy, promptness, courtesy, knowledge, professionalism and technology**. PFMS will also provide:*

- 27 years of Medical Billing & Collection experience
- A results focused Company
- Easy new client transition
- Workflows that will reduce patient accounts receivable dollars outstanding
- Fewer medical claims being rejected
- Medical claims are processed within 24 hours from date of service
- A workflow that will reduce billing staff members worries
- Highly skilled personnel (certified coders & reimbursement specialists)
- Easy access computer software anywhere anytime, viewing of information

PFMS Provides Focused Billing Solutions

PFMS is a "client-centered" company dedicated to provide medical providers the finest medical billing, patient accounts receivable management and reimbursement outsource services available to the following medical specialties:

- Cardiology
- Family Medicine
- Home Healthcare
- Internal Medicine
- Physical Therapy
- Plastic & Reconstructive Surgery
- OB&GYN
- Palliative Care
- Rheumatology
- Thoracic & Cardiovascular Surgery
- Urgent Care
- Urology

PFMS Staff Member Benefits

You can dream, create, design and build the most wonderful place in the world... but it requires people to make the dream reality" - Walt Disney

- Major Medical Insurance
- Dental Insurance
- 1 week paid vacation after 6 months
- 2 weeks paid vacation after a 12 months
- 3 weeks paid vacation after 5 years
- 4 weeks paid vacation after 10 years (currently 6 staff members)
- 7 sick days/2 floating days
- Staff members have the option to work from their homes

PFMS Community Activities

Being community minded, involved in the community and genuinely caring about issues outside the office is important to the staff member of PFMS. They have demonstrated their caring attitude by helping with the following:

- Supported AGAPE efforts
- Sponsored a Bartlett Little League Softball Team
- Supported Houston Middle School fund raising efforts
- Supported Houston High School fund raising efforts
- Taken part in the Annual Holiday Angel Tree
- Supported the Shiners in paying admission fees for children at the Circus
- Recently collecting money/household items for a client's family in need due to a kitchen fire

PFMS Involvement in the Healthcare Community

Healthcare Associations:

- Healthcare Billing and Management Association (HMBA) Member
- American Medical Billing Association (AMBA) Member
- Medical Group Management Association (MGMA) Member

Conference Presentations:

2009 – American Medical Billing Association – Las Vegas, NV

Topic: Panel Discussion Leader

2008 – American Medical Billing Association – Las Vegas, NV

Topic: Footprints of a Medical Billing Company Owner and Lessons Learned

2007 – American Medical Billing Association – Las Vegas, NV

Topic: Effective Healthcare Compliance Management

2006 – Physician Coding/Billing/Compliance Summit – Las Vegas, NV

Topic: Denial Medical Claim Management

2004 – American Medical Billing Association - Las Vegas, NV

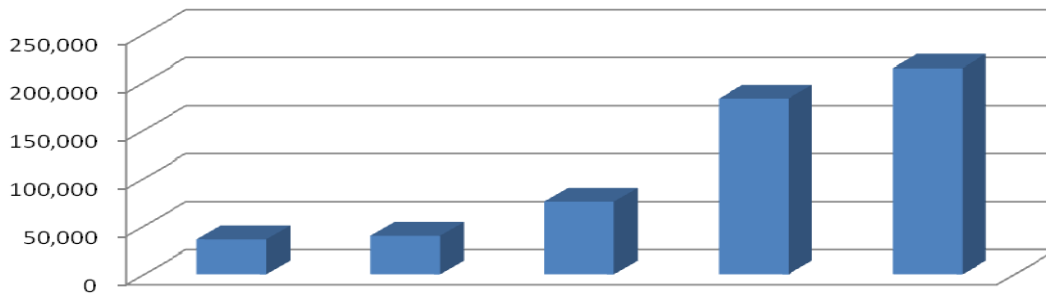
Topic: Revenue Cycle Management: Managing for Superior Performance

Topic: Denial Claim Management & Plugging Revenue Leaks

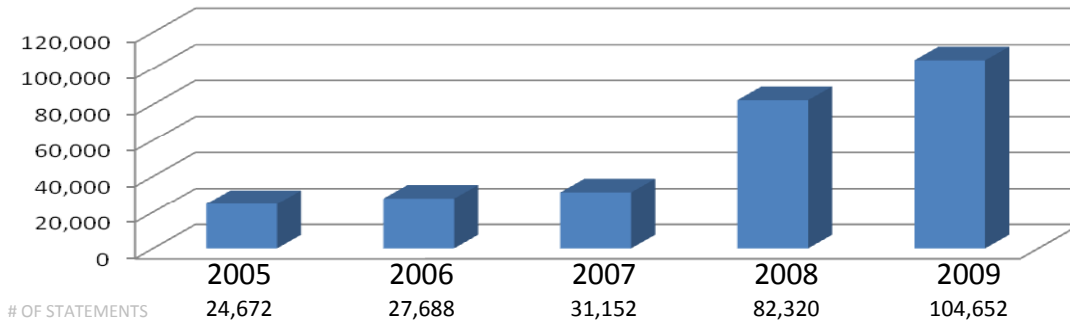
PFMS Financial & Processing Performance Results 2005 – 2009

Performance measurement and target-setting have been important to the growth process of PFMS. The following are key growth areas:

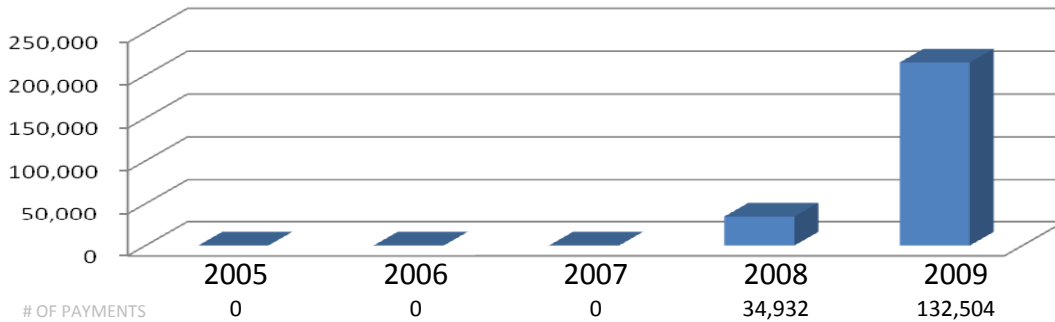
Annual Medical Claims Processed
5 Year Comparison



Annual Patient Statements Mailed
5 Year Comparison



Annual Electronic Payment Remittances Processed
5 Year Comparison



PFMS Company Goals

How medical providers are paid is constantly changing. PFMS is always open to change with emphasize on efficiency. PFMS is constantly working to be ahead of the curve by upgrading itself in the following areas:

Technology:

- Electronic Medical Records
- Electronic Charge Coding and charge entry
- Electronic file imaging
- Electronic Payment Remittance processing
- Patient Kiosks in waiting rooms development

Communications:

- Fully integrated web presence with **Content Management System (CMS)** allowing further level of interaction of content for both clients as well as visitors
- **RSS Feeds & eNewsletters** allowing clients to stay up-to-date with latest news & events in healthcare send directly to your computer or mobile device
- Online **Webinars** & other training tools for more “hands-on” approach to training and education with clients & employees
- **Healthcare Resources Database (Wikia)** allowing clients access to all the latest laws, rules, and regulations as soon as their available

Education & Training of Staff Members:

- Medical Reimbursement Certification Training
- Medical Coding Certification Training
- Provide opportunities to attend healthcare management conferences & seminars