

## Internal Marketing Success: Develop a Menu of Services and a Practice Binder

*Although often overlooked, simple internal marketing tools can capture potential cosmetic patients' attention and bring impressive "bang-for-your-buck" results.*

BY GLENN MORLEY

"Healthy" aging has become serious business for many people, who spend a great deal of time, energy, and money each year winding their way through the increasingly complex world of consumer marketing. Savvy patients depend more and more on physicians to guide them through the complex world of skincare treatments and products, where claims get bolder and prices get higher on a daily basis. In most cosmetic practices, it has become the norm to offer an ever-growing list of skincare products as an adjunct to an already significant menu of cosmetic procedures. It goes without saying: an inherent educational obligation exists when cosmetic goods and services are provided in a physician's office.

The patient education process is one of the most important aspects of business development, and two often overlooked informational pieces are a *practice binder* and a detailed *menu of services*. Both of these items can be highly effective in providing the information that today's patient demands in order to make product and procedure decisions. Your menu of services should be a stand-alone document, but you should certainly include it in your practice binder as well. Let's take a closer look at these two valuable resources.

### Menu of Services

A detailed yet readable and understandable menu of services document can be a powerful tool in your office. This document can inform patients of all aesthetic service offerings, as well as provide patients practical and detailed information that will assist them in the decision-making process. As a physician, design and copywriting may not be your strengths. However, differentiating your-

self and your practice from your competitors is an area that you likely do understand, and a well-composed menu of services is one way to achieve such differentiation. "I truly believe a menu of services is one of the most important investments a cosmetic practice can make in its marketing plan," says marketing expert M. Keeley of Mullen Advertising in Wenham, Mass. "Ideally, it is an elegant and articulate voice for the physician and the practice."

### Getting Started

Typically, the creation of a comprehensive menu of services is a multi-step process that can be divided among several people. The following is a guide to creating a meaningful menu of services document. How you divide the duties to create this document depends on practice set up and the expertise level of your personnel.

**What to include:** List all services currently offered in the practice and analyze the value they bring to you, your practice, and your patients. Consider patient satisfaction, safety, cost, profit, alternatives in the marketplace, and duplication of services. There is a fine line, which should not be crossed, between offering too many services and not offering enough services.

**Service descriptions:** Take a look at the five Ws of your offerings—who, what, when, where, and why. Who is a good candidate? Why this particular treatment? What conditions or issues are being addressed with each treatment? What does treatment entail? When is the best time to have the treatment done (is there seasonality)? Where will the treatment be done? How much time is required for a typical treatment? Are multiple treatments required? What is the cost or cost range?

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**Organization:** You can organize the information in several ways, but in most cases, the number of offerings and/or the service providers dictates organization. For example, if an esthetician performs some services and a physician performs others, organize your menu to reflect this arrangement. If all services are provided by the same type of provider, categorize information in a more simplistic way, i.e., wrinkle reduction, hair removal, vein removal, cleanse and hydrate, etc. Alternatively, a broader way to categorize might be spa services versus aesthetic medicine procedures.

Today's patients are part of perhaps the most informed and educated generation. They require thorough explanations and ongoing communication about your services/products and your expertise in aesthetic medicine. When provided with solutions to their questions regarding skincare and healthy aging, they are a loyal generation willing to aggressively combat the inevitable "hands of time." Sound medical research, coupled with a simplified explanation from you, will frequently be more effective in solidifying loyalty and referrals than expensive, time-consuming marketing campaigns. This does not mean, however, that your practice should completely eliminate marketing and public relations efforts. Rather, it means that clear communication regarding services and procedures is a crucial foundation upon which your cosmetic business and future marketing can rely. It all starts with the accurate compilation of your service offerings.

## Patient Education Binder

A well-organized patient education binder can be a highly effective tool that provides information without overtly "selling." An attractive, professional looking binder strategically placed in your reception area can become a tremendous vehicle for clear and concise communication directly with patients. It should provide readable information about specific products and services, as well as educate patients about the expertise level your physicians possess directly related to those products and

services. The patient education binder affords an effective opportunity to introduce and credential staff members, as well as invite patients into the "family." This resource also allows the practice to effectively share the practice's philosophy and/or mission statement related to aesthetic medicine—a meaningful point of differentiation. The following steps are key to creating a meaningful practice binder:

*Establish practice goals and objectives.* Take the time to review and refine, if necessary, your established practice goals and objectives. Examine your mission statement. Your objective at this point is to make sure you are satisfied with your stated strategic goals/objectives and that they accurately reflect your practice today and going forward. If you feel they should be updated, ask for input from both staff and management. This is a great opportunity to build consensus and a sense of community within the practice.

*Credential physician and key staff members.* Refrain from publishing your complete physician CVs. They generally are too long and are better suited for informing colleagues and medical societies.

Consider what you would want to know about a doctor/staff member if you were thinking of undergoing a procedure. Likely, you would want to know the doctor's education and medical background, whether he/she is board-certified, society and professional memberships, how long he/she has been in practice, his/her area(s) of expertise, specific training in the procedure you are contemplating (and how recent), etc. It also doesn't hurt to "humanize" the binder by including a brief section on community involvement, hobbies, areas of interest, family, etc. Do not get too "cute" with what you include, but patients like to know the person behind the name.

*Target the "right" products and procedures to highlight with articles and quality before and after photographs.* Patients naturally migrate to the photo section,

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and it's helpful to remember that "a picture is worth a thousand words." This is an area where you can make your practice shine and inspire action. You have to be somewhat selective about what products and procedures to feature. It is often tempting to include information on everything—every disease state, every useful product, and every procedure. However, for the purpose of developing a cosmetic service line, streamline information. Products and procedures that are most important from a business development perspective are the "right" choices to promote in this case. You likely already know what products/procedures you want to feature: those that are performing well for you right now. Start with your strengths and add from there.

*Review and update the binder on a regular and frequent basis.* Nothing turns a patient off more than dusty, obviously outdated marketing materials. It says "nothing's new here" loud and clear, which is the exact opposite message you want the document to deliver. Doctor's receive new training, a technique gets a "new" name, a slow product becomes hot, staff members leave or are promoted, so make sure your binder contains the most accurate information possible. Update the binder quarterly or at least every six months. Assign the responsibility of reviewing/updating the binder to someone with a vested interest in the success of the practice.

*Establish guidelines for inclusion in order to avoid having overzealous staff, manufacturers' reps, and even patients trying to add inappropriate content to the binder.* This is not a major issue, but it is important to manage the binder with the goal of providing patients with information critical to the decision-making process.

## **The Lost and Forgotten**

In this day and age of full-color newspaper advertisements, fancy billboards screaming to motorists on the interstate, and glamorous Hollywood endorsements, relatively simple internal marketing tools frequently are lost or forgotten. While producing a menu of services document and a patient education binder will require time and effort, these two resources can result in impressive "bang for your buck" results. For these tools to be effective and have decision-making impact on patients, make it a point for you and your staff to periodically review and update the information.

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## Practice Binder

### Sample Table of Contents

**To maximize the effectiveness of your practice binder, include the following materials and resources:**

- CV or "credentialing sheet" for each physician. Include a current photo.
- Photo(s) of staff, including roles and responsibilities.
- Mission statement, philosophy, etc., regarding aesthetic medicine, etc.
- Articles with positive tone from respected medical and media sources. Highlight areas of importance for patients and "your physicians."
- Before-and-after photos of staff, physicians, nurses, patients, etc. Results-oriented photos are powerful for a number of reasons: 1) they provide evidence of practice expertise; 2) staff/physicians photos show that you "walk the talk," i.e., this practice believes in treatments so strongly that physician, staff and employees are eager to share visual results; and, 3) they are a tool for staff to educate and answer questions about treatment.
- Q & A sheet about procedures, such as Botox® Cosmetic. Include both the manufacturer version and the physician's own version; patients want to hear answers to these same questions in the physician's own words.
- Menu of Services. A menu of services is an easy "shopping list of featured services" and informs them that you will be able to accommodate all of their aesthetic medicine requirements now and in the future.
- Pre and post treatment recommendations for procedures. Include recommendations about any re-treatment schedule in order to maintain results.
- Print out and include relevant content from your Web page. Although most of us assume that everyone is now Web and computer savvy, the reality is there are still many people who use the computer illiterate.

# National Provider Identification (NPI): Compliance and Implementation

BY LISA BELZER

**T**he Health Insurance Portability and Accountability Act of 1996 (HIPAA) included administrative simplification provisions that required the Department of Health and Human Services (DHHS) to establish national standards for electronic health care transactions. On January 23, 2004 the DHHS issued a final rule document titled “HIPAA Administrative Simplification: Standard Unique Health Identifier for Health Care Providers” that establishes the National Provider Identifier (NPI) as the standard identifier for health care providers to use in the health care system.

Most health plans have identification numbers for each health care provider. This results in a need for providers to maintain, track, and use multiple, arbitrary identification numbers for different health plans such as UPIN, Medicaid Provider Number, Medicare Provider Number, and Blue Cross and Blue Shield Numbers. The NPI will ensure that each provider has one unique identifier to use in transactions with all health plans. The NPI also replaces the use of Social Security Numbers and individual Tax IDs as identifiers.

**A**doption of these standards will simplify transactions, such as claims, eligibility inquiries and responses, claim status inquiries and responses, referrals, and remittance advices. Standardization is expected to help reduce healthcare fraud, transaction errors, redundant administrative efforts, and, ultimately, improve the overall efficiency and effectiveness of the nation’s healthcare system.

## What is an NPI?

The NPI is a 10-digit numeric identifier, which will allow for 200 million unique NPIs. The Centers for Medicare & Medicaid Services, which oversees DHHS, estimates the 200 million NPIs will last approximately 200 years.

The first digit signifies the entity type. NPIs with an “entity type code” of 1 will be issued to individual providers. Examples of health care providers with an “entity type code” of 1 are physicians, dentists, nurses, chiropractors, pharmacists and physical therapists. NPIs with an “entity type code” of 2 will be issued to organizations. “Entity type code 2” examples include: hospitals; home health agencies; clinics; nursing homes; residential treatment centers; laboratories; ambulance companies; group practices; health maintenance organizations; pharmacies; and suppliers of durable medical equipment, supplies related to health care, prosthetics, and orthotics.

Thus, a physician employed in a group practice may use two NPIs in their transactions—an “entity type code 1” for the individual and an “entity type code 2” for the group practice. Entity type codes of 1 will be permanent and assigned for life. Movement of a health care provider from one geographical area of the country to another will not

affect his/her NPI. If a health care provider dies, the NPI will be deactivated and never reissued.

Apart from the first digit, the NPI contains no embedded intelligence, such as the provider’s name, location, specialty, patients or qualifications. The 10th digit is a calculated check digit to help detect keying errors.

## Who Should Apply?

*Existing Medicare providers will be automatically assigned an NPI and do not need to apply.* Providers who do not participate in any federal health plans or Medicaid, but who transmit standard HIPAA transactions electronically, will have to complete an application (see below for “how to apply”).

Finally, providers who do not participate in any federal plans and do not transmit the electronic transactions covered by HIPAA are eligible for a NPI, but are not required to apply. Registered nurses, dental hygienists, and

**Existing Medicare providers will be automatically assigned an NPI and do not need to apply.** Providers who do not participate in any federal health plans or Medicaid, but who transmit standard HIPAA transactions electronically, will have to complete an application.

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technicians are examples of providers of health care who do not necessarily conduct covered transactions.

Health industry workers who do not need to apply include admissions and billing personnel, housekeeping staff, and orderlies. They support the provision of health care but do not provide health care services.

## What if I Do Not Accept Insurance?

DHHS encourages every health care provider to apply for an NPI and suggests that all health care providers disclose their NPIs to any entity for use in a standard transaction. A "health care provider" is defined as an individual, group or organization that provides medical or health services or supplies. This includes physicians, dentists, pharmacists, group practices, hospitals, nursing homes, pharmacies, organizations such as health maintenance organizations, and medical supply companies.

To understand the necessity for an NPI in a cash-based practice, consider the following example: A dermatologist does not accept any insurance, does not bill Medicare for any services, and does not submit electronic claims. Therefore, this physician is not a "covered entity" by HIPAA's definition. If, however, a patient from this practice receives a prescription and takes it to the pharmacy, the pharmacy will need to know the NPI of the prescribing physician in order to submit the pharmacy claim. In another example, a claim for a laboratory service will require the NPIs of both the laboratory and the referring physician. Thus, the NPI can be a necessary element in providing patients with healthcare.

Being assigned an NPI does not make the provider a covered entity and, therefore, does not require the provider to comply with the HIPAA regulations. Likewise, the assignment of a NPI will not enroll providers in health plans or require them to conduct electronic transactions. Thus, all health care providers, regardless of whether they conduct transactions electronically or on paper, are eligible and encouraged by DHHS to apply for an NPI.

## When Do I Need to Begin Using My NPI?

Implementation of the NPI began on May 23, 2005. The compliance date is May 23, 2007. Small health plans have until May 23, 2008 to comply. After these dates, health care providers must use their NPIs to identify themselves in standard transactions such as claims, eligibility inquiries and responses, claim status inquiries and responses, referrals, and remittance advices.

Some health plans might request you begin using your NPI prior to the compliance date. Early application for and receipt of an NPI means your practice will be ready to use an NPI when requested by a patient's health plan. Even if you do not use electronic transactions, you should be prepared. You may receive multiple notices about the NPI from third-party payers, but you only need to apply for a NPI once.

## How Do I Apply for a NPI?

The National Provider System (NPS) has been designated as the central electronic enumerating system, with

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## Stock Watch: Dermatology Public Companies

COMPANY (1)	SYMBOL	SHARES OUTSTANDING (2)	MARKET CAP 4/1/05 (2)	PRICE 2/1/05	PRICE 3/1/05	PRICE 4/1/05	12-MO. RANGE (HI-LO)
Allergan, Inc.	AGN	131.60M	\$9,142.25M	\$75.72	\$75.12	\$69.47	\$92.61 - \$66.78
Alpharma, Inc.	ALO	52.86M	\$643.83M	\$15.60	\$13.57	\$12.18	\$24.00 - \$11.44
Bristol-Myers	BMY	1,954.09M	\$48,735.00M	\$23.66	\$25.29	\$24.94	\$26.42 - \$22.22
Connetics Corp.	CNCT	35.92M	\$898.00M	\$24.04	\$24.92	\$25.00	\$30.41 - \$17.95
Glaxo Wellcome	GSK	2,930.22M	\$132,826.87M	\$44.55	\$49.22	\$45.33	\$51.92 - \$38.80
Johnson & Johnson	JNJ	2,973.66M	\$198,789.17M	\$65.42	\$66.65	\$66.85	\$68.68 - \$49.90
Medicis Pharmaceutical	MRX	54.35M	\$1,656.58M	\$36.74	\$34.53	\$30.48	\$45.26 - \$28.69
Mylan Labs	MYL	269.24M	\$4,746.70M	\$16.79	\$17.82	\$17.63	\$24.95 - \$14.24
Pfizer, Inc.	PFE	7,460.64M	\$195,095.73M	\$23.86	\$26.61	\$26.15	\$37.90 - \$21.99
Schering-Plough	SGP	1,474.97M	\$26,387.21M	\$18.99	\$19.30	\$17.89	\$21.59 - \$15.45
Taro Pharmaceutical	TARO	29.29M	\$924.68M	\$30.11	\$28.60	\$31.57	\$32.30 - \$18.05
Teva Pharmaceutical	TEVA	626.86M	\$19,257.13M	\$28.92	\$29.87	\$30.72	\$34.66 - \$22.82
Valeant Pharmaceuticals	VRX	91.42M	\$2,063.34M	\$25.00	\$24.95	\$22.57	\$27.37 - \$16.25

(1) All stocks traded over-the-counter. (2) In millions (M). Unless otherwise noted, all figures are in United States dollars.

# NPI: Compliance and Implementation

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oversight and management by the DHHS. There are three ways to apply.

- Beginning May 23, 2005, the online application became available at <https://nppes.cms.hhs.gov>.
- Beginning July 1, 2005, a paper application will be available at <https://nppes.cms.hhs.gov> or you may telephone for an application at 1-800-465-3203 or TTY 1-800-692-2326.
- In the fall of 2005, an employer, with permission of the provider, may submit an application in an electronic file on behalf of its affiliated health care providers.

The online application takes about 20 to 30 minutes to complete. After confirmation of data's receipt, one should expect to receive an NPI via e-mail in one to five business days. Processing of paper applications is expected to take about 20 business days. There is no fee to receive a NPI or to update NPS data.

## What Are the Uses of the NPI?

The NPI must be used in connection with the electronic transactions identified in HIPAA. In addition, the NPI may be used:

- In any lawful purpose requiring the unique identification of a health care provider.
- As a cross reference in health care provider fraud and abuse files and other program integrity files.
- To identify health care providers for debt collection.
- For health care providers to identify themselves in non-standard health care transactions and on related correspondence.

- To identify other health care providers in health care transactions or on related correspondence.
- By health plans in their internal provider files to process transactions and in communications with health care providers.
- By health plans to other health plans for coordination of benefits.
- By health care clearinghouses in their internal files to create and process standard transactions and in communications with health care providers and health plans.
- To identify health care providers in patient medical records.
- To identify health care providers on health care identification cards.

The shift of medical transactions from paper to electronic formats has introduced cost-saving electronic billing, claims processing and other business transactions. These processes rely on computerized coding to identify transactions and parties to the transactions. Standardizing provider identification will help to alleviate the confusion of tracking and maintaining multiple provider numbers, decrease processing delays due to misuse or erroneous data, and may even decrease potential for fraud and abuse in both Medicare and the private sector.

Although some providers may find their software systems require modifications to adapt to the new standard, the initial economic impact will decline and long-term administrative simplification is hoped to provide a foundation for a more efficient information infrastructure.

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## DERMATOLOGY PRACTICE ADVISOR

**Allergan's Dermatology Practice Advisor** is published four times per year by BSM Consulting, 916 Southwood Blvd., Suite 2C, Incline Village, NV 89451, who is solely responsible for its contents. Allergan distributes this publication as a service to the dermatology community.

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