

## At a Glance

### Organization

Norco Medical Group  
Corona, Calif.

- 22-provider primary care practice
- 30,000+ active patients

### Solution Spotlight

- Practice Partner® Appointment Scheduler
- Practice Partner® Patient Records
- Practice Partner® Medical Billing
- Interfaces to Quest Diagnostics and LabCorp

### Critical Issues

- Managing the solution implementation for a growing multisite practice
- Maximizing efficiencies and productivity in a managed-care environment
- Achieving revenue growth to support expanded provider base

### Results

- Revenue growth averaging 20% per year
- \$1.3 million bonus for effective utilization management
- Higher Medicare reimbursement through Medicare's HCC program

## Norco Medical Group Implements EMR Solution to Thrive in a Capitated Market

Norco Medical Group, a primary care practice located in southern California, is thriving in a strongly capitated market. Led by an entrepreneurial physician, the group raised its competitiveness by implementing the Practice Partner® system of integrated electronic medical record (EMR) and practice management applications from McKesson. The solution helped Norco increase efficiency, drive growth and increase Medicare reimbursements. The group received a bonus of more than \$1 million from its independent physicians association (IPA) due to utilization management efficiencies.

### Challenges

Norco Medical Group was formed when Dr. Bob Nelson, founder and medical director, seized an opportunity to grow his solo-practitioner business. When a local IPA went out of business, he welcomed its medical staff into his practice.

The newly formed medical group opened a second site and added an urgent care practice to its operations. As Norco grew, Dr. Nelson realized that it would be essential to transition from paper-based records to an EMR system: "It was obvious to me that it would be really difficult to manage a multisite practice if everyone was on paper."

He also felt that in a managed care environment, the ability to track and manage utilization would be critical.

### Answers

After an extensive search for the right solution, Norco selected the Practice Partner system from McKesson. Dr. Nelson was impressed by McKesson's long affiliation with the American Academy of Family Physicians (AAFP) and the product's affordability and rich features. "We felt that Practice Partner had all the features we needed at a reasonable price and the ability to grow with the practice," relays Dr. Nelson.

Norco implemented Practice Partner® Patient Records, Practice Partner® Medical Billing and Practice Partner® Appointment Scheduler, as well as interfaces to Quest Diagnostics and LabCorp, for a complete integrated EMR and practice management solution. "During integration, McKesson sent specialized staff to conduct training for each separate application," relays Dr. Nelson, "which was great for our providers and staff. It really helped us learn the product."

To complete the transition to the EMR and practice management system, providers used the paper chart in combination with Practice Partner Patient Records during their first post-implementation visits with

# Case Study

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**Bob Nelson, M.D.**

**Founder and Medical Director  
Norco Medical Group**

existing patients. Physicians flagged any paper chart components they wanted transferred to Practice Partner Patient Records (i.e., recent labs and other test reports). These items were scanned and "filed" in the patient's electronic chart. All new data was entered into the EMR.

A move to a new facility – intentionally designed with no chart room – helped accelerate physician adoption. "We found that some providers would use the paper chart as a crutch," explains Dr. Nelson. "After the move, they realized that they really didn't need a paper chart."

## Results

The project has been a winner for Norco. "Practice Partner has really helped us improve overall efficiency and productivity as well as quality of care," says Dr. Nelson. "All the information we need is there when the patient is in front of us. The quality of the notes and care reminders make comprehensive documentation easier — which is very useful from a reimbursement perspective." The patients have noticed as well. "The patients associate an EMR system with higher quality," observes Dr. Nelson.

Since implementing Practice Partner, Norco has had compelling financial success. Revenue has grown an average of 20% per year.

The group has used the EMR system to take advantage of Medicare's HCC (hierarchical class coding) program, in which providers receive differential reimbursement based on the condition of the patient.

Additionally, the Practice Partner system has supported Norco's participation in utilization management (UM) programs sponsored by its local IPA for the group's capitated patients. Recently, the IPA awarded the group with a utilization management bonus of more than \$1 million.

"Practice Partner has been instrumental in the growth and productivity of our practice. I am not sure how we practiced without it," relays Dr. Nelson.

Dr. Nelson is also excited about other potential incentive programs. "We receive all our lab results automatically through an interface, and the information is directly linked to the patient's preventive care profile," he explains. "This kind of data is just what we need for pay-for-performance programs that are tracking items such as HgA1c levels."

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