

CALIFORNIA MEDICAL BILLING

Let CMB Focus on Staffing, Billing & Practice Revenues!

COMPARATIVE COST ANALYSIS WORKSHEET

IN-HOUSE BILLING Medium Sized Group Practice	IN-HOUSE BILLING COSTS 6 Full Time Employees	CALIFORNIA MEDICAL BILLING
<u>Average Pay for Six (6) FTE- Employee Salary</u> <ul style="list-style-type: none"> ▪ \$20 per hour x 40 hours per week= \$ 41,600/yr \$3,467 = one-month gross pay ▪ \$22 per hour x 40 hours per week = \$45,760/yr \$3,813.50= one-month gross pay ▪ \$22 per hour x 40 hours per week = \$45,760/yr \$3,813.50 = one-month gross pay ▪ \$24 per hour x 40 hours per week = \$49,920/yr \$4,160 = one-month gross pay ▪ \$25 per hour x 40 hours per week = \$52,000/yr \$4,334 = one-month gross pay ▪ \$30 per hour x 40 hours per week = \$62,400/yr \$5,200 = one-month gross pay (Billing Manager) 	\$24,788.00 NOT INCLUDING BONUSES OR PAY INCREASES	7.5% Based on \$450,000 Monthly Net Receivables
<u>Medical/Dental/Vision/Life Benefits</u> Average medical plan \$375.00 (26-36 yrs. of age) Average dental plan \$70.00 (CA Mandatory 50% Employer's portion of dues) <u>Full Time Employee (30 -40 hrs. per week)</u>	\$1,335.00	INCLUDED
<u>Sick Leave</u> Based on CA minimum requirement of 40 hrs. or 5 days per year	✓ Paid Sick ✓ Delayed Revenues ✓ Provide Coverage	INCLUDED
<u>Vacation Leave</u> Average leave 1-4 weeks paid vacation per year	✓ Paid Vacation ✓ Delayed Revenues ✓ Provide Coverage	INCLUDED
<u>Retirement Plan 401K Safe Harbor</u> Based on 3% Employer Matching Contribution per month	\$743.60	INCLUDED
<u>Workers Compensation</u> Based on \$1.00 per \$100.00 on payroll California policy minimum \$500.00	\$247.90	INCLUDED
<u>Payroll Taxes (Estimated) 14.5% gross wages</u> 10% Employer Tax Due Social Security, Medicare, State Unemployment	\$2,487.70	INCLUDED
<u>EMR/EHR Software</u> Average cost for monthly EMR/EHR \$300.00 per provider per month	\$300.00-\$500.00 per provider	\$135 (provider/month) OPTIONAL
<u>Clearinghouse Fees @ \$ _____ per claim</u> Based on 80% of the total monthly claims (est. 6,500 claims)	\$ _____	INCLUDED
<u>Paper Claims (Cost of Supplies & Postage) @ \$0.78 per claim</u> Estimate _____ per month	\$ _____	INCLUDED
<u>Patient Statements (Cost of Supplies & Postage)</u> @ \$0.78 per statement Estimate _____ per month	\$ _____	\$ _____
<u>TOTAL BASE COST PER MONTH plus</u> <u>*ADDITIONAL 10-15% FOR OVERHEAD EXPENSES* (SEE PAGE 2)</u>	\$29,901.20	\$33,750.00

ADDITIONAL COSTS FOR IN-HOUSE BILLING

RANGE 10-15%

Office Space Lease/Mortgage
Office Equipment & Leases (Computer/Monitors, Phones, Fax, Scanners, Copier Machine)
HR Administration Fee
Payroll Fees
401k Admin Fee
Billing Software Fee
Third Party Vendor Fees Related to Billing/Collections
IT Support
Employee Training (Billing/Coding/Collections)
Coding Books – (Updates Yearly)
HIPPA Training/Compliance (Yearly)
File Storage & Cloud Based Document Management
Electricity/Phone/Internet
Office Supplies (including claim forms, envelopes, copy paper)
General Business & Professional Liability
Cybersecurity Insurance
Printer & Copier Maintenance and Ink/Toner
Postage & Priority Mail
Clearinghouse Fee
Document Destruction Fee

Additional Costs

**EMPLOYEE SALARY INCREASE, OVERTIME COST
&
YEARLY BONUS**

THIS COULD ADD UP TO THOUSANDS PER YEAR!!