

How ClaimTek Helps The Little Guy Win Big

By Maverick Galloway
July-August 2001



Linda Cunningham wanted to spend more time with her children. Marion Cameron changed careers after relocating. A medical condition forced Danna Mercer to gain more control over her lifestyle.

More than 18.5 million Americans operate home-based businesses. From more flexible hours to becoming their own boss to making more money, the excitement of creating their own destinies has fueled the increasing demand of entrepreneurs investing in their own futures.

They want to work to live, not live to work. They want the job to work for them, not slave away at some boring trade they no longer care about doing well.

But how do everyday people break the chains when barely living paycheck to paycheck? What fuels that leap of faith when starting a business? What's the secret to success?

"Success is a different measure for different people," said Nancie Cummins Walls of

Medical Management Billing in San Mateo, Calif. "Some people just want to put food on the table, but there's no ceiling to what you can accomplish if you apply yourself. You just have to decide how big you want to become."

How high is up? It sounds exciting. The only questions when starting a company are what level of success you wish and which business best suits you?

Many of America's billionaires started businesses in their own homes.

After all, there are 1,600 franchise businesses from baking cookies to selling pizza. Own a print shop, install mufflers, fix windshields.

The market is unending. Many of

America's billionaires started businesses in their own homes. Ask Bill Gates about the computers in his garage that led to Microsoft. Get William Entemann to reveal how his pastry business now in every grocery store nationwide began in his oven. Discover the secrets of Mrs. Fields (yes, there really is one) as she went from her kitchen to yours.

The choice is yours, but it's not often a simple one. Many franchises are simply too expensive for the average American to start. A Jiffy Lube franchise fee is \$35,000 plus an estimated \$175,000 in startup costs. A Maid Brigade crew needs \$43,500 for supplies. Even a Subway Shop franchise cost \$10,000 plus \$60,000 for supplies. That's a lot of dough.

Franchises often come with a 10-year commitment and royalties, leaving you no closer to spending more time at home. The mounting debt and long hours cause many to fail.

Franchises often come with a 10-year commitment and royalties, leaving you no closer to spending more time at home.

No, you want a business offering flexible hours from your own home with modest startup costs and unlimited potential.

Welcome to medical claims processing.

Think of the future when considering your next move. What's popular now may be old news tomorrow. VCR repair looked good for awhile. That is, until it became cheaper to buy a new one than fix the old one. Finding someone now to fix your VCR (we won't even talk about Beta) is like finding an honest politician. Same goes for those smoothy fruit shake stands after everyone discovered how they made you gain weight.

The 60 million baby boomers are now using doctors in record numbers. Claims have doubled since 1990 to more than 10 billion in 2000.

And electronic claims processing is the cutting edge of the business. More than 30 percent of claims are now processed electronically -- six times more than 1994. That means there's plenty of room for newcomers to ride the fast-growing technology wave.

And the money's top dollar for the time involved. Many claims processors can handle the needs of five doctors. The American Medical Association reports the average doctor bills more than 440 claims monthly. Many medical claims processors receive between an average of \$3 per transaction or a percentage of the collected value of the claims.

Doctors want processors who resolve claims quickly and efficiently. The old manual system that involved mailing

Forms to the 1,500 health insurance companies can sometimes take 10 weeks for payment. And that's if nothing goes wrong like a transposed number. Thirty-seven percent of manual claims are rejected.

Comparatively, electronic claims are paid as quickly as 48 hours. Only one percent is rejected for mistakes. After all, home-based medical billers aren't interrupted by phones ringing or patients needs. Doctors know outsourcing their billing, which is often the last thing office staff worries over given the pressing need to help patients in a busy, stressful environment, is much more efficient.

But here's the key to any successful startup business – a solid foundation.

You'll need the right software.

You'll need marketing.

You'll need training.

You'll need support.

These are the four cornerstones of success. Missing even one part can cause a business to crumble.

Software is everything in this computer age. Upgrades are an absolute must.

Marketing shows how to stand out from the crowd.

Training teaches how to be successful from sales to software.

Support means a lifeline whenever needed.

“There's good companies and there's bad companies,” said Linda Cunningham of Medical Professional Services in Fairfax Station, Va. “A lot of bad businesses will make promises that this is a get-rich-quick business and sell you an outdated \$300 software package that is all you need to be successful. These schemes shed a bad light on reputable companies like ClaimTek that do stand behind their product.”

ClaimTek Systems, led by President Kyle Farhat, has been consistently named the best medical claims processing company in the country.

Doctors know
outsourcing their
billing... is much more
efficient.

“In my opinion, Kyle Farhat and ClaimTek are the real medical billing specialists if you are seeking to start a new business,” said Rick Benzel, author of “Making Money in a Health Service Business on your Home-Based PC.” “ClaimTek is the only reliable one around. I can personally attest to the dedication, commitment and expertise of Kyle Farhat, who is a smart software developer, excellent trainer and savvy consultant.”

What separates ClaimTek from its dozen

competitors? Software, marketing, training and support, say its licensees.

Anyone can sell a \$300 outdated piece of software (and many will try) that leaves buyers virtually no chance of succeeding. ClaimTek is the only one company merging the four cornerstones of success to provide clients the doorway to opportunities.

“Buying a \$300 program is nothing more than buying a broken promise,” Farhat said. “If people look into it they'll realize it's nothing more than a scam. These companies won't provide software demos. They tell stories that aren't true. You're basically shredding \$300.

“It's an incredible industry, but people need to get solid marketing, training, software and support. Anything short of that is asking for trouble.”

ClaimTek is the only one company merging the four cornerstones of success to provide clients the doorway to opportunities.

Let's take it one step at a time to explain how each interacts to form a solid company. First and foremost, software is the key to the business. Anyone who has bought a computer knows it's obsolete before the box is opened.

That's why having the latest software complete with regular upgrades is absolutely necessary to successfully deal with the 1,500 insurance carriers nationwide. ClaimTek has develop its exclusive software called “MedOffice” that lets processors directly interface with computers in the doctors' offices using the standard Lytec Medical Billing Software so all claims are handled from home offices, but also provides an additional wide array of services for further revenue.

“Health care claims processing has to go electronic,” Farhat said. “You can file your taxes online. Stock trading is online. This is the future.”

ClaimTek provides 10 software applications for targeted tasks. There's electronic fund transfer, third-party collections, patient well-care program and remote backup storage among the more popular programs. Remember, only ClaimTek offers its patented “MedOffice” software program.

“It fits together like a glove,” Farhat said. “It streamlines daily operations. Doctors can easily stay in touch and don't feel like they're losing control of their accounts.”

Said Benzel: “[MedOffice] allows you to put a sophisticated software program into the doctor's office that handles medical transcription and certain record keeping functions while you handle the billing. Many doctors prefer this type of system since they do not want to abandon having

control of their records. ClaimTek helps you overcome one of the objections doctors have to giving you their business."

Having the leading software is important, but if Bill Gates didn't know how to spread the word, Windows would be something you stare through and MacIntosh would be better known as a computer than an apple. Standout marketing grabs the interest of doctors within 10 seconds.

ClaimTek's colorful, detailed brochures make busy physicians take a second look. That's why ClaimTek provides licensees 1,500 pieces of professionally-written marketing materials that reflect your professionalism.

"The more you look like one-stop shopping, the more you stand out," Farhat said. "Doctors may not need everything you offer today, but they'll grow into it. This is a decisive factor."

Training its licensees to conduct presentations to clients is part of ClaimTek's comprehensive program. After all, you have to look, sound and act professionally to get the business so ClaimTek concentrates on marketing as much as on the software.

But what clearly separates ClaimTek from other companies is its software training program that includes one-on-one mentoring. It's 12 hours scheduled to your timetable, often in 1- or 2-hour increments so you're not overwhelmed. It's conducted over the phone so there's no travel costs.

You'll receive the Medical Coding and Fees Manual that quickly teaches the use of ICD and CPT codes.

"With a private line to your mentor, you can ask anything you want," Farhat said. "Some people are intimidated during seminars. They're afraid to ask questions for fear of looking foolish. You just have to know the basics of a Windows program like opening and moving files."

Finally, some companies believe the word "support" means putting you on hold until you finally quit. ClaimTek offers unlimited support for two years. Indeed, the Emergency Support Service provides the ultimate backup capability of handling claims should an unexpected absence of several weeks arise.



Danna Mercer

"You can go on vacation. You can get sick. We still have your back," Farhat said.

Mercer knows what it's like not to be always be at full strength. A chronic soft tissue condition is sometimes quite painful sent her searching for a home-

based career that offered flexibility.

"If I'm having a bad day I can rest and then work in the evening," Mercer said. "If I can't sleep I'll work in the middle of the night."

Mercer revamped her wide-ranging company called Potpourri Business Services in Salem, Ore. to concentrate on medical billing. The only "problem" was limiting herself to 12 health providers to avoid becoming overwhelmed. Word-of-mouth referrals among mental health providers quickly built her business.

"I need variety. I like technical work, but also working with people and the challenge of ever-changing insurance requirements. This is a wonderful mix."

--Danna Mercer

Mercer didn't have any medical billing experience when starting, though her eclectic background as an accountant, tax auditor and even dental assistant allows her to provide physicians a complete service from collections to health care plan analysis. And to think she came upon ClaimTek by reading of it in "How to Make Money On Your PC."

"I need variety," Mercer said. "I like technical work, but also working with people and the challenge of ever-changing

insurance requirements. This is a wonderful mix."

Cunningham was a successful paralegal in suburban Washington, D.C. The money was good. The job was challenging. But Cunningham lost a child to sudden death syndrome in 1995. When becoming pregnant with her third child a year later, she decided to start a home-based business.

"I couldn't leave my children at home after losing a child," Cunningham said. "I had to find a business to run from home. I did a lot of research on the Internet on home-based businesses and medical billing was a business with unlimited potential."

Four years later, Cunningham employs four part-timers, grosses more than six figures annually and is buying a bigger house. Her firm handles six practices, but that's just the start for the rolling dynamo of energy. She gained the first two clients by knocking on doors before four more were referred.

"It fits extremely well into my personal life," Cunningham said. "The flexibility is what I love most. I can do things during the business day with my children and still be able to tend to business matters. You can work evenings, weekends."

Cunningham is used to researching. After all, paralegals are the legal eagles of law libraries. In fact, she turned her final three choices that offered medical claims businesses on each other to see which

would emerge as the best. When swimming with sharks, don't try baiting Cunningham. She's the type that will cut up scam artists for bait.

"I was very apprehensive and wanted to make sure I was getting the best," Cunningham said.

"When I discussed the two companies with the third, I carefully monitored their reactions. Two of the three companies got very ugly and employed hard-sell tactics, which turned me off immediately. Kyle Farhat never did. He understood I was considering his competitors and was confident his company would emerge as the best. It did."

Cameron moved to Woonsocket, R.I. to be near his daughter, Andrea. Deciding it would be a fresh start, the 55-year-old decided to leave his career as a private investigator behind and founded Medical Billing Management in 1999. Now Marion and Andrea combine for 40 hours weekly handling claims that is a lot easier than working as a private eye.

"At my age, it's real rewarding to be stationary eight hours a day," he joked. "When you're right in what you do and successfully follow up on claims, it's a good feeling."

Cameron was experienced in running a business, but had no medical billing background. He chose ClaimTek after researching companies for three months.

"The MedOffice software was the first demo I tried, and every time I tried a software program elsewhere it led me back to MedOffice," Cameron said. "It seemed to be the most user-friendly. It has everything doctors want. Other programs you buy for \$500 don't do anything more than billing. You're on your own and have to come up with something yourself. With MedOffice, you just push a button and have every report needed."

**"The MedOffice software was the first demo I tried, and every time I tried a software program elsewhere it led me back to MedOffice."
--Marion Cameron**

Showing health care providers all the bells and whistles of MedOffice is what led Walls to gain 15 clients, 14 of whom were referrals as word quickly spread of this former insurance agent who could work wonders with numbers. Walls also provides physicians with a complete monthly analysis of their financial status.

"One of the positives of the business is helping providers make decisions based on my reports," Walls said. "I can tell them where they're making money and where they're not and keep them out of

trouble with health care plans they're involved in. It's crucial to stay abreast of troubled health care programs." Walls said ClaimTek's marketing plan was superior to its rivals after trying another company.

"The other company didn't give me the tools I needed. It eventually went under," Walls said. "Kyle Farhat brought a whole new avenue in terms of marketing and provided assistance to do things I couldn't do before. Suddenly, the health care providers could see everything we could do."

Perhaps the biggest obstacle when beginning a business for many working people is the startup capital. Remember those six-figure costs of the previously-

mentioned franchises? Anyone without a trust fund can't afford it. That's probably why some companies crank out \$300 software programs that look like a good deal until the system locks up the computer and there's no one at tech support.

However, ClaimTek's complete services cost only \$7,995. That's for the entire software with regular upgrades, marketing materials, and personal training and support staff. There's no add-on costs. No royalties. It's a small investment into your financial future.

Just ask Cameron, Walls, Cunningham and Mercer.

