THE MONTHLY PUBLICATION FOR CAP MEMBERS

CAPsules®

COOPERATIVE OF AMERICAN PHYSICIANS

Case of the Month

The Case of Time-Saving Documentation

by Deborah Kichler, RN, MSHCA

The medical or health record serves as a comprehensive documentation of a patient's medical history and care. Historically, these records were handwritten on paper, organized in folders by note type, and maintained as a single copy. The introduction of the electronic health record (EHR) aimed to streamline the documentation process by making medical records legible and digitally accessible. Surprisingly, the transition from paper records to electronic versions has not alleviated the documentation workload and, as a result, healthcare providers continue to seek more efficient, time-saving methods, such as dictated recordings intended for transcription.

With all documentation methods, accuracy is crucial when documenting a patient's encounter, as errors in the process can significantly impact the quality of care provided. Traditional methods, such as dictation by healthcare providers and transcription by external parties, have been used to streamline the creation of medical records. However, misheard words, misinterpreted phrases, and inaccurate transcriptions can lead to a flawed medical record, potentially resulting in mistaken diagnoses, inappropriate treatments, legal repercussions, and, as the case below demonstrates, irreparable patient harm.

Wrongful Death of a Patient Due to Medical Transcription Errors

On December 13, 2012, a Baldwin County Alabama jury delivered a $140 million wrongful death verdict against a hospital and its contracted medical transcription companies for a woman's death caused by a transcription error, which resulted in a fatal medication dosage.[1]

A 59-year-old lifelong insulin-dependent patient with diabetes was discharged from the hospital to a rehabilitation facility after receiving treatment for a blocked dialysis access port. The physician's dictated Discharge Summary was outsourced to a transcription company located outside of the United States. The transcriber mistakenly entered a dosage of 80 units of Levemir insulin instead of the intended 8 units. The unreviewed and unsigned summary was sent to the rehab facility as part of the patient's admission notes and medication orders. As a result of receiving the incorrect dosage of 80 units of insulin, the patient experienced a cardiopulmonary arrest and sustained irreversible brain damage.

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A misheard figure resulted in a typographical error that tragically caused a preventable medical mistake, leading to the patient's unnecessary death.

Introduction of Artificial Intelligence And Documentation

Considering such preventable tragedies, can solutions—like artificial intelligence (AI)—enhance accuracy and reduce human error in clinical documentation?

AI offers opportunities to improve the efficiency and precision of medical record documentation. AI scribes and ambient AI tools are available for transcribing, summarizing, and integrating medical conversations into patient records. These technologies are designed to produce structured clinical notes, streamlining the documentation process for healthcare providers.

Unlike traditional dictation tools or human scribes, AI scribes function independently or with minimal human oversight, frequently integrating directly with the electronic medical record (EMR). Ambient AI refers to technologies that "listen" to patient-provider interactions, transcribe in real time, and generate clinical documentation.[2] These tools range from converting spoken dialogues into written transcripts to extracting relevant clinical information and creating concise clinical notes directly into the EMR for the provider to review. AI-driven digital scribes are able to capture the subtleties of medical discussions that go beyond the capabilities of human scribes or conventional dictation software, filtering out non-clinical conversations.

While AI has the potential to enhance efficiency and precision in documentation, there is a risk of preventable harm. AI-enabled technology may lead to a false sense of security, potentially producing misleading or inappropriate results. Even though AI-enhanced tools aim to reduce documentation time, it is essential for the practitioner to review and edit the notes generated by AI to ensure the accuracy of the medical record and prevent patient harm.

Guidelines for implementing AI-enabled documentation technology:

1. Establish an AI governance policy:

- Develop guidelines for the evaluation, implementation, oversight, and monitoring of AI to ensure that such technologies are used safely and effectively without compromising patient safety, privacy, and security, and to ensure alignment with existing laws and regulations governing the use of AI in healthcare organizations, including consent of all parties being recorded.[3]

2. Obtain informed consent from patients, either verbally or in writing:

- Educate patients about the use of AI for dictation and transcription, including:
  - ▸ Providing a statement saying that your practice's use of AI technology is intended to aid in creating thorough and accurate medical notes.
  - ▸ How AI dictation functions and uses recorded information, i.e., transcribing the spoken word into a note.
  - ▸ The duration of storage for recordings and measures in place to protect patient privacy.
  - ▸ The benefits of improved accuracy and efficiency in documentation, including enhanced ability to focus on the patient during the encounter.
  - ▸ The risks of AI, i.e., transcription errors, unable to recognize certain accents or speech patterns, or omission of non-medical conversations pertinent to the patient's social history.
  - ▸ An option to "opt-out" of AI scribe use and alternative documentation methods available.

3. Clarify the role of AI scribes:

- Reassure patients that AI scribes are meant to support healthcare providers, not replace them, to enhance documentation and data management

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without replacing care and treatment decision-making.

4. Ensure compliance with HIPAA regulations:

- Establish a contract with the AI vendor and include a Business Associates Agreement (BAA) to ensure that the patient data and information is protected.

5. Include disclosure in medical notes:

- Clearly state in the medical record that the note was created using AI technology and that you obtained the patient's consent to use the technology (i.e., "Additional history and documentation captured below via (electronic vendor)" or "Documentation services were performed after the patient or guardian consented to allow (electronic vendor) to record audio during this visit."

6. Review AI-generated documentation prior to EHR integration:

- Physicians and other medical providers should review and edit the note prior to uploading it into the EMR.

While AI offers tremendous potential as an advanced tool to assist providers and healthcare staff, it is essential that human decision-making remains central to the care process. While discussions surrounding documentation will continue and evolve over time, the impact on patient safety must remain at the forefront.

Deborah Kichler, RN, MSHCA, is a Senior Risk Management & Patient Safety Specialist. Questions or comments related to this article should be directed to DKichler@CAPphysicians.com.

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[1]Cunningham Bounds, LLC. "Jury Holds Hospital & Transcription Company Responsible for Fatal Medication Error: $140 Million Verdict." *PR Newswire*. December 17, 2012. https://www.prnewswire.com/news-releases/jury-holds-hospital--transcription-company-responsible-for-fatal-medication-error--140-million-verdict-183799281.html. (Last reviewed January 29, 2025).

[2]Price, Lloyd. "AI Scribes and Ambient AI: Key Differences for Healthcare Providers." *Healthcare Digital*. May 31, 2025. https://www.healthcare.digital/single-post/ai-scribes-and-ambient-ai-key-differences-for-healthcare-providers (Last reviewed June 11, 2025).

[3]ECRI. Risks with AI-enabled health technologies. Hazard #1—2025 top 10 health technology hazards. *Device Evaluation*. December 3, 2024. https://members.ecri.org/guidance/risks-with-ai-enabled-health-technologies

Additional resource:

Ervin, Yvette, JD. "The Role of Informed Consent in Medical AI: Balancing Innovative Advancements With Patient Rights." CAPsules. January 16, 2025. https://www.capphysicians.com/articles/role-informed-consent-medical-ai-balancing-innovative-advancements-patient-rights

Treating Children of Divorced Parents: Establishing Consent for Treatment

by Rikki Valade, RN, BSN, PHN

Upon arriving at the office, you find a voicemail from a parent expressing frustration over not being contacted or consulted regarding their child's medical treatment during a recent visit.

After reviewing the patient's chart, it becomes clear that the parents are divorced and are struggling to agree on the child's medical treatment. One parent brought the child in for care, the other parent called concerned and angry that they were not consulted before care was rendered. This common situation puts a physician in an uncomfortable and potentially volatile position.

Members of the Cooperative of American Physicians (CAP) frequently seek answers from CAP's risk management experts to questions like: 1) "How do I determine who has the legal authority to consent to medical care on behalf of the minor?" and 2) "Who has legal authority to access or receive copies of the medical records?"

Definitions, Codes, and Requirements

There are two types of custody arrangements: physical custody and legal custody.[1]

- Physical custody indicates that the child resides with and is supervised by that parent. However, having physical custody does not always grant that parent the legal right to make decisions on behalf of the child.
- Legal custody means this specific parent has the power to make decisions regarding their child's education, religious beliefs, and healthcare. Usually, only the parent with legal custody can approve medical treatments for the child and give permission for their medical records to be shared with others.
    - NOTE: Legal custody may be awarded to one parent (**sole custody**) or to both parents (**joint custody**).

Family Code Section 3006 states "sole legal custody" means that one parent shall have the right and the responsibility to make decisions relating to the health, education, and welfare of a child".[2] The California Medical Association (CMA) indicates if parents share joint legal custody, they typically have equal rights to make healthcare decisions for their child.[3] The CMA goes on to state that, "depending upon the terms of the court order awarding joint legal custody, it will either mean that one parent, acting alone, may consent to a recommended medical procedure; or, that the consent of both parents is required for certain, or all, medical decisions (Family Code §§3003, 3083.)."[3] This could mean that one parent has the authority to make medical decisions independently, or that both parents must agree on all or certain medical procedures. The CMA advises that in situations where parents with joint legal custody cannot come

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to an agreement on a recommended treatment, obtaining a court order may be necessary to resolve the issue, excluding emergency situations.[3]

Moreover, one parent cannot be denied access to medical records and information merely because they are not the child's physical custodial parent (Family Code §3025).[4]

Proactive Risk Mitigation Strategies

How can you and your staff manage these tricky custody scenarios? And how do you determine who has the legal authority to consent for treatment?

To effectively manage disputes regarding consent for treatment, it is recommended that your office acquire a copy of the court order pertaining to custody. This document will detail the parental rights and should be stored in the child's medical records. It is crucial to request this information during the initial intake process for new patients before discussing treatment options. Once the custody court order is received, make sure that your office's parent/guardian contact information aligns with the details outlined in the document.[1]

One CAP member practice, after experiencing issues determining which guardian had legal authority to consent, added the following statement to their intake form: *Parents: married/widowed/divorced. If divorced please provide a copy of court custody papers*. As a result, this addition helped prevent the physician from getting caught in the middle and going back and forth between feuding parents. As a medical professional, your focus is and should be on the patient. Being pulled into the challenging dynamics of feuding parents can detract from this focus, cause disruptions to your practice, and even impact patient safety. Your intake process and office policies are key components that can help you proactively avoid potential issues. Consider adopting the recommendations below as part of your practice policies:

Intake Process

- Determine the parental relationship.
- Determine who has the authority to consent to medical decisions based on the court custody order.
- Determine who may have access to medical records and other administrative information based on the court custody order.

Joint Legal Custody

- Be the child's advocate.
  - The pediatrician's office should be a secure and welcoming space where children feel at ease.
  - Prioritize the child and their best interests.
  - Promote child-focused decision-making. Assist parents in considering the child's needs and how medical choices will impact them.
- Set Clear Expectations
  - Establish communication boundaries.
  - Define guidelines regarding parental behavior, decision-making, and code of conduct in the office setting.
  - Maintain neutrality. Refrain from favoring one side or making hasty judgments based solely on one parent's information.
  - Keep conflict to a minimum by maintaining a calm and professional demeaner.
  - Consider asking both parents to attend appointments regarding major decisions about their child's medical care.[5]
- Maintain Professional Boundaries
  - Stay out of the middle. Again, avoid being drawn into parental conflict and personal disputes.

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  - Maintain professionalism regardless of the parents' behavior. Do not escalate your behavior as the parents' behavior escalates.

- Navigating disagreements
  - Do not provide non-urgent treatment until conflict regarding the treatment is resolved (if time and the child's condition allow).
  - If parental disputes interfere with your ability to care for the child, you may need to consider terminating the doctor-patient relationship.[6]

Determining who has the authority to consent to a minor's treatment is crucial for the practice. Proactively establishing communication and behavioral expectations of parents/guardians can help prevent future conflicts. Take steps to ensure your staff is well informed about which individuals can give consent, approve the release of records, and function as the main point of contact for the child. If there is doubt as to the custody order and/or who may consent for medical treatment, seek guidance from your medical professional liability carrier to minimize risk and protect your minor patients.

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[1]Mangels, Linda Sue, Cooperative of American Physicians, Inc., Treating Minors of Divorced Parents: Determining Consent to Treat December 10, 2014 https://www.capphysicians.com/articles/treating-minors-divorced-parents-determining-consent-treat

[2]California Legislative Information; Family Code, Chapter 1, Code 3006 https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?

[3]California Medical Association; California Physician Legal Handbook (2025), Minors Consent, section 3107

[4]California Legislative Information; Family Code, Chapter 1, Code 3025 https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?

[5]Forsyth, Nick; MagMutual, Navigating Parental Disputes over the Medical Care of Minors (2021). https://www.magmutual.com/healthcare-insights/article/navigating-parental-disputes-practice-setting

[6]Segal, Jeffrey MD.JD. Medical Justice; Medicolegal Issues When Dealing with Separated and Divorced Parents of Minor Patients (2/17/2020). https://medicaljustice.com/blog/medico-legal-issues-when-dealing-with-separated-and-divorced-parents-of-minor-patients/#

SEPTEMBER – OCTOBER 2025

Fall 2025 Litigation Education Retreat

Supporting CAP Members During a Medical Professional Liability Lawsuit

Whether you are in the process of a medical professional liability lawsuit or simply interested in learning more about the litigation process, CAP's Litigation Education Retreat can provide valuable support and guidance. During this virtual, interactive event, you will learn techniques to help you secure the most favorable litigation result and alleviate the anxiety that most physicians experience during this exceptionally stressful time. Participants who attend this live virtual event will earn three CME* *AMA PRA Category 1 Credit(s)™*.

Date: **Saturday, October 25, 2025**
Time: **9:00 a.m. to Noon**

View the agenda and register at:
www.CAPphysicians.com/LERFall2025

*The Cooperative of American Physicians, Inc. (CAP) is accredited by the California Medical Association (CMA) to provide continuing medical education for physicians.

The Cooperative of American Physicians, Inc. designates this internet live course for a maximum of *3.0 AMA PRA Category 1 Credit(s)™*. Physicians should claim only the credit commensurate with the extent of their participation in the activity.

Disclosure to Learners: No planner, reviewer, faculty, or staff for this activity has any relevant financial relationships with ineligible companies.

Medicare Reimbursements: One Step Forward, Two Steps Back

by Gabriela Villanueva

After months of legislative efforts to address physician Medicare payment reform, key provisions were finally included in the One Big Beautiful Bill Act (OBBBA). Passed along party lines in Congress and signed into law by the President on July 4th, the bill includes a one-year, 2.5% increase to the Physician Fee Schedule (PFS) conversion factor, effective January 1, 2026.

This increase, while welcomed and necessary, fell way short of what was needed. Despite extensive advocacy efforts to apply the change retroactively and offset the 2.83% decrease from the 2024 rate of $33.29 to the current rate of $32.34 effective January 1, 2025, this 2.5% increase results in a conversion factor of $33.59 for 2026.

Though seemingly miniscule, these slight variances create a compounding effect since the dollar amount is multiplied by the relative value units (RVUs) assigned to each service to determine the Medicare payment rate paid to physicians. The RVUs are meant to cover both the cost of labor and practice expenses.

Because many private insurance companies adopt PFS rates as a benchmark for their own reimbursement models, even small changes in the conversion factor can ripple across the entire healthcare payment ecosystem. When these rates shift, they influence how much physicians are paid not just for Medicare patients, but for patients covered by a wide range of insurance plans, amplifying the financial impact on practices and providers.

Unfortunately, the bill does not include an automatic cost of living adjustment (COLA) provision for future adjustments.

As other healthcare-related safety net programs suffer consequential cuts due to OBBA, the change in the PFS rate conversion is a step in the right direction.

OBBA also imposes significant changes to federal student loans, including lifetime loan limits for borrowers, impacting students pursuing higher education. Specifically, loan limits are $100,000 for graduate programs, and $200,000 for professional programs (e.g., medical and dental school). The law also phases out GradPLUS loans — an important tool to help students pay for education — that are currently capped at the total cost of attendance.

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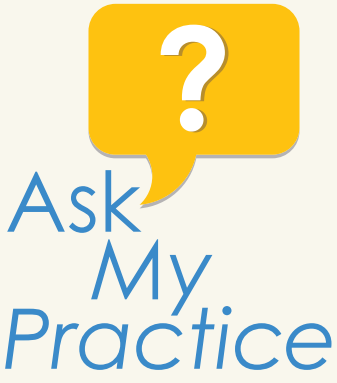

by Andie Tena

Practice Management KPIs

Revenue cycle is a critical component of any medical practice, as it directly impacts the financial health and success of the organization. Key performance indicators (KPIs) are essential metrics that help medical practices measure and track their revenue cycle performance. 80% of medical groups look at their KPIs less than once a quarter. By monitoring these KPIs more closely, at least monthly, it allows practices to identify areas for improvement, streamline processes, and maximize revenue.

There are several key performance indicators that medical practices should regularly monitor to ensure the efficiency and effectiveness of their revenue cycle processes and overall operations.

Some of the most important KPIs include:

Accounts Receivable (AR) Aging: This KPI measures the amount of time it takes for a practice to collect payment from patients and insurance companies. Practices should aim to keep their AR aging at less than 25% over 120 days (AR > 120). Ideally, no more than 9-15% of AR should be over 120 days old. A higher number of outstanding AR over 120 days can indicate inefficiencies in the billing process and create patient dissatisfaction, decreased cash flow, and an increase in administrative costs for staff correcting the issues.

Days in Accounts Receivable (AR Days): This KPI measures the average number of days it takes for practice to collect payment for services rendered. Benchmark should be 30 days, however some specialties are 40 days. Less than 30 days in AR is preferred and shows the health of a practice's revenue cycle. A lower number of days in AR can be indicative of a more efficient revenue cycle process but only if it is combined with the net collection rate. An unhealthy AR days rate can reflect errors in claims submissions, coding issues, insurance verification errors, credentialing issues, and more, so it is critical to determine the root cause of the errors in order to rectify the issues.

Net Collection Rate: This KPI measures the percentage of revenue collected after deducting any contractual adjustments or write-offs. A higher net collection rate indicates that the practice is effectively managing its revenue cycle and maximizing revenue. Benchmark is 95-96%. If the net collection rate is lower than 95-96%, it may reduce your margins and revenue.

Denial Rate: The denial rate measures the percentage of claims that are rejected or denied by insurance companies compared to the number of claims submitted. Benchmark should be from 6-10% for an initial denial rate and reviewed monthly, as a high denial rate can result in delayed payments and lost revenue for the

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practice. A review of the final denial rate is important to reflect how many of the appealed claims were denied again.

Clean Claim Rate: This KPI measures the percentage of claims that are processed and paid on the first submission. A high clean claim rate indicates that the practice is submitting accurate and complete claims, which can help expedite the payment process. Benchmark is 95% on first pass.

These KPIs work hand in hand and monitoring them monthly can help medical practices quickly identify challenging areas that require immediate attention. When unmonitored, losses in revenue and patient dissatisfaction can arise. By regularly tracking these metrics and implementing strategies to address any issues that arise, practices can optimize their revenue cycle performance and achieve financial success.

Andie Tena is Assistant Vice President, Practice Management Services. Questions or comments related to this column should be directed to ATena@CAPphysicians.com.

Making Changes to Your Practice?

Update Your Membership Information To Help With Your Year-End Planning

If you are considering a change in your practice this year or in 2026, please notify CAP as soon as possible. Our Membership Services team can work with you to ensure that any necessary coverage transitions are implemented smoothly.

Changes include, but are not limited to:

- Retirement from practice at age 55+
- Part-time practice (e.g., 20 or fewer hours per week)
- Reduction or any change in the scope of your practice
- Employment with a government agency or non-private practice setting
- Employment with an HMO or other self-insured organization
- Joining a practice insured by another carrier
- Moving out of state
- Termination of CAP membership

The Mutual Protection Trust (MPT) Board of Trustees will levy an assessment in November 2025. To allow ample processing time, we strongly recommend that you provide any updates to CAP no later than October 31, 2025, to be evaluated for reductions or proration of the 2026 assessment.

Log in to your member account at member.capphysicians.com to complete your Coverage Update Form (CUF). You may also contact Membership Services by phone at 800-610-6642 or by email at MS@CAPphysicians.com to update your CAP membership information.

Personal Insurance Enrollment For CAP Members Now Open

Protect What Matters Most

As a physician, your ability to earn an income is one of your most valuable assets—and protecting it is essential.

From October 15 through November 30, 2025, CAP members have an exclusive opportunity to secure essential personal insurance—**like must-have life and disability coverage**—to protect themselves, their families, and their financial futures.

CAP members currently receive automatic benefits, including $10,000 of life insurance and up to $2,000/month of disability insurance. Effective January 1, 2026, coverage for these benefits increases to $15,000 in life insurance and up to $4,000/month of disability insurance. **But added coverage is still essential for comprehensive protection!**

Now is the time to evaluate your existing policies and increase coverage or purchase new coverage.

No medical exams or underwriting required for most plans!

Enroll now at www.CAPphysicians.com/Enroll to secure:

- Life Insurance: Up to $500,000[1]
- Short-Term Disability: $1,000/week[2]
- Long-Term Disability: Up to $15,000/month[2] – **New Increased Coverage Amount Available!**
- Critical Illness Insurance – Up to $30,000 lump sum benefit
- Accident Insurance[3] – Affordable coverage for the unforeseen
- Dental and Vision Insurance – Significant savings on routine care and major services
- Hospital Indemnity Insurance – Up to $2,000 for admission and $400/day for 15 days. No pre-existing condition exclusions.

All at specially negotiated CAP group rates

You may not find better coverage at better rates elsewhere! Learn more and begin enrollment on October 15!
www.CAPphysicians.com/Enroll

Enroll Today—No Medical Exams Required for Most Plans!

Visit: www.CAPphysicians.com/Enroll

Call: 213-576-8530

Email: HealthCareServices@SymphonyRisk.com

PLUS, during this annual enrollment period, get a personalized consultation for individual or group health insurance for your practice!

These products are offered through Symphony Health, a division of Symphony Risk Solutions. CAP works with Symphony Health to provide you with flexible options to purchase these supplemental insurance coverages.

[1]New CAP members within the first 90 days of membership have the option to purchase up to $500,000 in life insurance with no required health exams. For members who are currently enrolled in supplemental life coverage and not at the current $500,000 maximum, you may get an additional $50,000 of life insurance benefits with no medical underwriting required.

[2]To be eligible, you must be working in healthcare at least 17.5 hours/week and cannot be currently disabled or at the time coverage becomes effective. Other limited time pre-existing condition exclusions may apply.

[3]Income benefits details available in the Resources section of the enrollment portal or call to request. Pre-existing exclusion applies (except for heart attack or stroke).

SEPTEMBER - OCTOBER 2025

CAPAdvantage SPOTLIGHT

Two Practice Management Programs To Give Your Bottom Line a Boost

Learn more about how to strengthen your practice operations and improve financial outcomes through two featured CAPAdvantage programs. From automating accounts payable to navigating medical office leases, these business solutions are designed to help you save time, reduce costs, and make smarter business decisions.

CAPAdvantage is CAP's suite of no-cost or discounted practice management programs.

Can Accounts Payable Automation Help Your Practice?

In healthcare, where time and accuracy are critical, streamlining administrative processes can have a direct impact on operational efficiency and patient care. One area ripe for transformation is accounts payable (AP)—the process of managing invoices, approvals, and payments.

Traditionally, AP workflows have been manual and paper-based, involving physical invoices, data entry, and routing for approvals. These methods are not only slow but also expensive and error-prone. Research shows that manually processing a single invoice can cost between **$12 and $35**, and take up to **15 days**. Moreover, **nearly 40% of manually handled invoices contain errors**, and **over 80% of organizations** report exposure to payment fraud due to weak controls.

AP automation leverages technology to digitize and streamline these workflows. Tools like Optical Character Recognition (OCR), Intelligent Data Capture (IDC), and automated approval routing can reduce invoice processing time to **just 3.2 days**, while cutting costs to **$2–$3 per invoice**. Accuracy rates can reach **99.5%**, significantly reducing the risk of errors and fraud.

Key Benefits of AP Automation

- **Efficiency:** Faster invoice processing and reduced manual workload
- **Accuracy:** Fewer errors and improved data integrity
- **Security:** Stronger fraud prevention and compliance controls
- **Visibility:** Real-time insights into cash flow and financial status
- **Vendor Relations:** Timely payments improve trust and reliability

How to Begin Implementation

1. **Assess Your Current Workflow**
   Identify pain points, bottlenecks, and areas with frequent delays or errors.
2. **Define Clear Objectives**
   Are you aiming to reduce costs, improve speed, enhance reporting, or all of the above?
3. **Engage Key Stakeholders**
   Include finance, IT, and administrative staff early to ensure alignment and buy-in.

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4. **Evaluate Integration Needs**
   Ensure compatibility with your existing existing enterprise resource planning (ERP) or accounting systems.
5. **Plan for Change Management**
   Provide training and support to ease the transition and encourage adoption.

Selecting the Right Solution

- **Ease of Use:** Choose a platform with intuitive design and minimal training requirements.
- **Scalability:** Ensure your system can grow with your practice or organization.
- **Security & Compliance:** Look for healthcare-grade data protection and audit capabilities.
- **Support Services:** Consider whether vendor onboarding and reconciliation are included.
- **Customization:** Opt for flexible workflows that match your approval processes.

By automating AP, healthcare organizations can reduce administrative burden, improve financial control, and redirect valuable time toward patient care. It's not just a tech upgrade—it's a strategic move toward operational excellence.

This article is presented by Corpay. Corpay is a participant in the CAPAdvantage program. They are a global leader in payments, helping businesses of all sizes better track and manage spend. Through its unified spend management platform, Corpay Complete, Corpay offers a range of solutions including Payments Automation, Invoice Automation, Procure-to-Pay, Expense Management, and Commercial Card programs.

To view the full whitepaper on AP automation, visit: https://www.corpay.com/resources/blog/accounts-payable-automation

To learn more about Corpay, visit: https://na.corpay.com/corpay-cap

2 Navigating Medical Office Leases In a Tight Market

The medical real estate market is facing increasing pressure. With limited available space, a slowdown in new construction, and landlords raising rents to pre-pandemic levels, healthcare providers are encountering a more competitive and costly leasing environment.

If your lease is set to expire within the next six to eight months, now is the time to act. Early negotiation gives you leverage to secure better rates and more favorable terms. Waiting until the final month of your lease puts your landlord in control—limiting your options and potentially locking you into less advantageous conditions.

In this climate, having a skilled negotiator who understands the nuances of medical leasing is essential. A strong advocate can help protect your interests, ensure fair market value, and position your practice for long-term success.

CAP members could be realizing additional savings on their current leases or new property agreements. Gary Pepp with Physicians Commercial Real Estate Services can work on your behalf at no cost to find that needed relocation property or to negotiate with your current landlord for the best lease terms.

With Gary, you get:

- A dedicated broker who specializes in medical office real estate and understands its nuances and complexities.
- Tenant-only representation, so there is no conflict of interest with landlords.
- Attention to the fine print to negotiate the optimal deal.

Plus, CAP members will receive 10% of the earned commissions from Physicians Commercial Real Estate Services at the close of contract.

To get started and for more information, contact **Gary Pepp** at **562-743-1695** or at **gpepp@physicianscommercialre.com**.

Hippocratic Financial

Federal Student Loan Changes in the One Big Beautiful Bill Act

The information below is general in nature and may affect each borrower's strategy differently. A personalized student loan analysis with Hippocratic Financial will be the best way to determine your strategy.

IMPORTANT UPDATES & CHANGES TAKING IMMEDIATE EFFECT

- The changes outlined here make federal loan consolidation after July 1, 2026, a bad choice for the overwhelming majority of borrowers
- Processing times vary widely across all loan servicers, with some applications/requests taking weeks while similar submissions take months to process, even at the same servicer
- The Income-Based Repayment (IBR) plan no longer requires a partial financial hardship (e.g., income limit) to apply
- Interest accrual begins for borrowers in the SAVE (Saving on a Valuable Education) forbearance

CHANGES AFTER JULY 1, 2026

- Only the Repayment Assistance Plan (RAP) or the Standard plans will be available for borrowers with ANY new loans (including new consolidations)
- RAP is a new plan that is eligible for Public Service Loan Forgiveness (PSLF) and offers 30-year IDR forgiveness
  - *Payment Calculation is based strictly on a percentage of Adjusted Gross Income (AGI), and the calculation changes based on income brackets. Minimum payment is $10.*
  - *Payment is reduced based on tax dependents, not family size*
  - *Payments are not adjusted proportionally for spouses who both have federal loans*
  - *Provides both an interest and principal subsidy for some borrowers*
- Standard repayment terms are changed for borrowers with any new loans after July 1, 2026
- Parent Plus Loans must be consolidated before July 1, 2026, to access any IDR plan

CHANGES AFTER JULY 1, 2027

- Economic Hardship Deferments and Unemployment Deferments will no longer be available for new loans after this date
- Forbearance is limited to up to 9 months during any 24-month period for new loans

CHANGES AFTER JULY 1, 2028

- The Pay As You Earn (PAYE) and Income-Contingent Repayment (ICR) plans are eliminated.
- All borrowers must enroll in IBR, RAP, or Standard repayment plans

This information is presented by longtime CAPAdvantage participant Hippocratic Financial.

Have questions or want to schedule an analysis? Email **Andrew Van Treeck, CFP,** at **andrew@hippocratic.com**

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SEPTEMBER - OCTOBER 2025

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