



# The Guide to Optimizing Laboratory Revenue in Your Physician Practice

How to increase profitability with  
strategic laboratory solutions

## Your Unified Solution to Optimize Laboratory Revenue

At Phyttest and PhyttestDX, we specialize in laboratory revenue solutions tailored to physician groups of any size. Whether you're looking to tap into ancillary lab revenue or build a fully managed in-house lab, we have a customized approach to maximize your bottom line. With our expertise in laboratory reimbursement and management, we handle everything—so you can focus on patient care.

### Ancillary Lab Revenue with Phyttest

Unlock hidden revenue with no upfront costs or workflow changes.

Many physician groups don't realize they can bill for lab testing services without managing a lab themselves. With Phyttest, we handle all aspects of ancillary lab revenue capture, allowing you to generate a new revenue stream effortlessly.



### Build & Manage an In-House Lab with PhyttestDX

Add a full-scale laboratory operation to your practice. For larger physician groups, an in-house lab provides maximum revenue potential and control over patient testing. PhyttestDX will handle the entire process from planning and building to full operational management.



## Why Laboratory Services?

Laboratory services are one of the most critical yet overlooked components of a physician practice. While much of the focus in practice management is on patient visits and procedures, lab testing quietly plays a crucial role in both patient care and financial performance.

For many practices, lab services are treated as an operational necessity—outsourced to large third-party labs without a second thought. But this approach often leads to longer turnaround times, fragmented patient care, and most importantly, lost revenue. Without an efficient and strategic approach to laboratory services, practices miss out on a valuable revenue stream that could significantly enhance their financial stability.

With the right strategy, lab services can become a powerful revenue stream while improving efficiency and patient satisfaction.

# Ancillary Lab Revenue



## Who It's For:

- Practices specializing in OB/GYN, Fertility, Internal Medicine, Gastroenterology, Endocrinology, and Family Medicine
- Practices with 4 or more providers

## Services Include:

- Laboratory cost management
- Commercial payer billing
- Customized patient statements
- Collections management
- Patient services representatives
- Demographic automations
- EMR integrations
- Patient payment portal
- Client financials portal and dashboards
- On-demand exportable reports

## How It Works:

1. **A patient visit occurs** – The physician orders lab tests as part of routine care.
2. **Sample collection and processing** – The practice collects the specimen and sends it to their third-party lab for testing.
3. **Billing submission** – Instead of the reference lab billing for the service, Phytest submits the claim on behalf of the practice and the practice receives reimbursement from the payers.
4. **Reimbursement received** – The practice receives payment for the lab test, generating a new positive revenue stream.

## What practices can expect:

1. **Lowered costs of testing.** You and your patients benefit from more affordable pricing for the same tests you are already ordering.
2. **No changes to your staff and workflows.** Your staff can continue all workflows as normal from specimen collection to ordering from your reference lab.
3. **Operational and financial insights.** Receive access to real-time reporting and analytics in your client portal online and during monthly meetings with account managers.
4. **Additional revenue each month.** A new return on ancillary lab services you already offer in your practice.



### No upfront costs.

There's no investment required to get started.



### No changes to overhead.

Leverage the knowledge of our experienced billing staff.



### No workflow disruptions.

Our model integrates seamlessly into your environment.



# In-House Laboratory Buildout and Ongoing Management



## Who It's For:

- Women's Health or Fertility practices
- Practices with 20 or more providers
- Practices who want to establish or expand a laboratory

## Services Include:

- Laboratory planning and buildout
- Equipment procurement and installation
- Equipment validations and SOPs
- All credentialing, licensing, and certification needs
- Complete staffing and management of the laboratory
- Inventory management and equipment maintenance
- Technology implementation and troubleshooting
- Access to detailed reporting and analytics
- End-to-end billing and collecting for lab claims
- Customized LabHub for resources and contacts
- Transparent proformas and financial projections

## How It Works:

1. **Laboratory design and buildout** – We design and build all specs and requirements for a high-complexity laboratory using your available space.
2. **Setup and Certifications** – Our team handles all certifications, licensing, equipment validations, and technology implementation to integrate your new laboratory into your practice environment.
3. **Staffing and ongoing management** – PhytestDX fully employs and manages the day-to-day laboratory operations including maintenance, inventory management, in-depth reporting, and more.
4. **Billing and collections** – We handle the revenue cycle management of the laboratory to ensure maximum return for every test you run.

## What practices can expect:

1. **Better clinical and operational control:** Faster turnaround times, in-network billing, clinical and financial reporting, and streamlined processes.
2. **Enhanced practice value:** In-house offerings result in higher patient satisfaction, flexible test menus, and strengthened practice financials.
3. **Provider and patient education:** We provide handouts, flyers, brochures, and other resources to promote and support all offerings of the laboratory.
4. **Additional revenue:** Your practice gains a new revenue stream that scales with your practice long-term.



**Partnership vested in your success.**  
We work to secure long-term success of your new lab.



**Ongoing management of your laboratory.**  
Our team manages and operates the laboratory beyond buildout.



**Perpetual return on investment.**  
We ensure your lab is a profit center that works for you.

# Case Studies

## Introducing Ancillary Lab Revenue Stream into Practice

**SPECIALTY: OB/GYN PROVIDERS: 11**

### CHALLENGES

Before partnering with Phytest, this practice had never billed for their ancillary laboratory claims and paid high costs for their laboratory tests to large, third-party reference laboratories. Stakeholders wanted to explore how to reduce these test costs and introduce a new ancillary revenue stream by billing their ancillary claims, but did not have the experience or internal staff to do so.

1. Inexperience billing for ancillary laboratory services
2. High costs of laboratory tests
3. No internal billing team on staff

### SOLUTIONS

Phytest onboarded the client and began billing and collecting their ancillary laboratory claims on behalf of the practice. Phytest leveraged exclusive laboratory test rates to reduce the practice's laboratory test costs by 83%. They were provided with Phytest's entire team of billing and patient services experts with no change to their own staffing and overhead costs.

1. Fully managed billing and collecting services for the practice's ancillary laboratory claims
2. 83% reduction in practice laboratory test costs
3. Billing and patient services team dedicated to the practice's claims and patients



## Establishing a High-Complexity Laboratory into Practice

**SPECIALTY: WOMEN'S HEALTH PROVIDERS: 40+**

### CHALLENGES

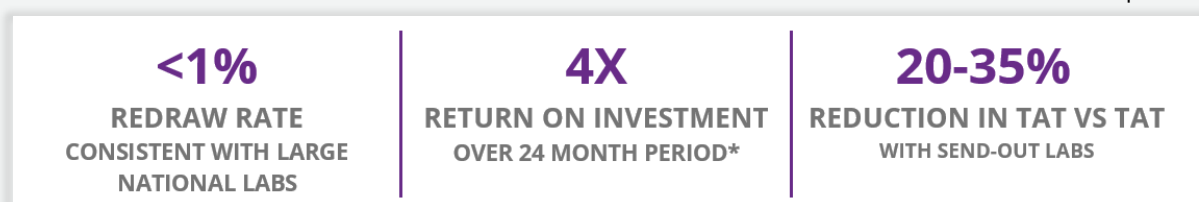
A large physician group with a strong focus on women's health wanted to build a high-complexity laboratory to bring genetic testing in-house. They were currently outsourcing these tests to third-party labs, experiencing slow turnaround times, lack of control over test panels, and lost revenue potential. The physicians knew an in-house lab could improve patient care and practice profitability but had no experience managing a high-complexity lab.

1. Lack of clinical control, slow turnaround times, and lost revenue
2. Inability to internally staff and manage a laboratory
3. Inexperience billing and collecting laboratory claims

### SOLUTIONS

By partnering with PhytestDX, the practice successfully launched and maintained a profitable, high-complexity laboratory that reduces reliance on third-party labs, improves patient outcomes, and unlocks a new revenue stream without operational headaches. The laboratory runs an average of 6500 tests a month and provides clinical accuracy and turnaround times that exceed industry standards.

1. Built a high-complexity laboratory in the practice's available space and designed a flexible test menu
2. Employed 10+ laboratory professionals from our team to manage day-to-day lab operations
3. Provided lab billing services and a reimbursement strategy that resulted in 4X ROI over a 24 month period



# Next Steps: Unlock Your Practice's Full Revenue Potential

Now that you've explored how Phyttest and PhyttestDX empower physician groups with laboratory revenue solutions, it's time to take the next step. Whether you're looking to enhance ancillary revenue with laboratory billing or build a high-complexity lab, our team is ready to guide you through the process.

1

## Schedule Your Consultation

Contact us and we'll find the best time to meet with you and your team.

🌐 <http://phyttest.com/schedule-a-demo/>

✉ [connect@phyttest.com](mailto:connect@phyttest.com)

📞 (877) 943-0205

2

## Assess Your Opportunity

Every practice is unique. Let's discuss your patient volume, test needs, and revenue goals to determine the right approach.

3

## Understand Your Financial Impact

We'll walk you through real revenue projections so you can see the potential impact on your bottom line.

4

## Get Started with Your Tailored Plan

When we've agreed on the right approach for your practice, we'll outline a step-by-step roadmap to get your lab revenue up and running seamlessly.

