1 ▭ ## Common Symptoms of a Sick Medical Business Office

Office Managers Association at Presbyterian Hospital of Plano

2 ▭ ## Symptom 1: Old Charge Master

- ✓Update your charge slips annually
  - – Team approach
  - – Pain management example
- ✓Grace period discontinued!
- ✓New CPT, HCPCS and ICD-9 codes
- ✓Changed definitions
- ✓Deleted codes

3 ▭ ## Symptom # 2:

Global procedures / supplies are billed and appealed.

- ✓Purpose of Correct Coding Initiative Edits
  - – ensure the most comprehensive codes are billed rather than the component parts
  - – ensure that only appropriate codes are grouped
  - – determine the maximum allowed number of services for each code
- ✓http://www.cms.hhs.gov/physicians/cciedits/default.asp

4 ▭ ## Definition of Surgical Package

- ✓a payment policy of bundling payment for the various services associated with a surgery into a single payment, covering professional services for preoperative care, the surgery itself and postoperative care
- ✓10 days or 90 days
- ✓RVU spreadsheet
  - – http://www.cms.hhs.gov/PhysicianFeeSched/PFSRVF/list.asp#TopOfPage Preparation of patient for surgery

5 ▭ ## Useful RVU Spreadsheet Information

- – Global periods
- – Professional / Technical components
- – Intra-operative % (-78 modifier)
- – Multiple surgery rules (-51 modifier)
- – Bilateral surgery indicator (-50 modifier)
- – Assistant surgery, co-surgery, and team surgery rules (modifiers -80, -62, -66)

6 ▭ ## Global Package Includes

1
- ✓ Day before surgery
- ✓ Postoperative visits related to recovery from surgery
- ✓ Post-surgical pain management when performed by surgeon
- ✓ Supplies
- ✓ Miscellaneous services (such as dressing changes, incision care, etc.)

2 Operative Session
- ✓ Hemostasis
- ✓ Wound irrigation
- ✓ Intra-operative imaging

- ✓ Drains, suction
- ✓ Closure
- ✓ Application of dressings

7 ## Symptom # 3:

Receipt of audit notices from CMS or other payor(s)

- ✓Audit Evaluation and Management codes at least annually. Why?
  - – Consistently sloppy or outlier coding, billing and documentation attracts audits from payers.
    - Claims are often suspended.
  - – Capture lost revenue
  - – Speed AR cycle
  - – Identify employee training issues
  - – Be familiar prior to any CMS audit

8 ## Also…

- ✓OIG recommends baseline audit to enable practices to
  - – Judge progress
  - – Reduce areas of vulnerability
  - – Reduce denials
  - – Increase claims paid

9 ## CMS Audits

- ✓CMS instructs carriers to review claims
- ✓Audit Triggers
  - – Billing discrepancies among providers of the same specialty – same geographic location
  - – Prepayment reviews
    - ICD-9 vs. CPT
    - POS vs. CPT
    - Specialty to CPT

10 ## Probe Audit

- ✓20 to 40 claims
- ✓Written notice to physician to provide all pertinent documentation
  - – All progress notes demonstrating patient's response to treatment
  - – Sign in sheets
  - – Physician credentials
  - – Lab and radiology reports
  - – Comprehensive problem list
  - – Current list of medications

11 ## CMS Action

- ✓CMS bases action on
  - – Past billing history
  - – Number of error claims
  - – Dollars paid inappropriately
- ✓CMS actions can include
  - – Education
  - – Repayment of money
  - – Suspension of Medicare assignment

12 Symptom # 4:

EOBs Regularly Include Lots of "Denied Duplicate"

- ✓Why?
  - – Payments not being posted in a timely fashion
  - – Payments are being posted incorrectly
  - – Payments not posted at all
- ✓Treatment
  - – Auto posting of EOBs (835 files)

13 Symptom # 5:

EOBs Frequently "Denied Not Medically Necessary"

- ✓Use the Medicare Coverage Database.
  - – http://www.cms.hhs.gov/mcd/search.asp
  - – Labs
  - – Minor and Major Procedures
  - – Diagnostic Tests
- ✓Investigate software support

14 Link ICD-9 and CPT codes.

- ✓Get paid - first submission
- ✓Reduce wasted human resources on unnecessary claims follow-up
- ✓Multiple services
- ✓Example
  - – Multiple procedures same operative session
  - – Multiple trauma

15 Symptom # 6:

Payors routinely pay exactly what is charged.

- ✓Ensure your fees are higher than your contract allowables!
- ✓Example, pediatric practice CHARGING less than Medicare PAYS for 2 common, higher-dollar procedures

16 Symptom # 7:

No one has a copy of your contract.

- ✓How about a countersigned copy?
- ✓Class-action example
- ✓What are they allowed to do?
- ✓What edits / rules will they use?

17 Symptom # 8:

Your poster(s) don't have your contract allowables.

- ✓Posters MUST know contract fee terms in order to be successful.
  - Without them, how do you know what do adjust and what to appeal?
- ✓When possible, load fees in practice management system.
- ✓Develop systems to monitor and audit insurance contracts.
  - Load fee schedules and then audit variances.
  - Require billing companies to provide detailed reports.

18 Symptom # 9: EOBs Routinely Include "Coverage terminated prior to services rendered."

- ✓Verify, verify, verify…
- ✓Investigate software electronic verification

19 Symptom # 10:

Claims routinely denied for "Missing referring provider"

- ✓Ensure Consults are billed with box 17 and 17a complete.
  - UPIN Directory
  - http://www.upinregistry.com/provider_form.asp
- ✓Investigate software intelligence options

20 Symptom # 11:

Patient Statements Galore!

- ✓Collect co-payments, co-insurance and deductibles BEFORE services are rendered.
  - Contract allowables loaded?
- ✓Don't be afraid to ask patients for money owed.
  - Use scripts to train staff if necessary
  - Set targets for employees

21 Symptom # 12:

You are still filing paper claims.

- ✓Not HIPAA compliant
- ✓CMS and RR Medicare won't even accept paper secondary claims now.
- ✓Don't waste paper, stamps and time.
- ✓File claims electronically.
- ✓Correct errors on day 2, not day 45.

22 Symptom # 13:

Billing staff is still working paper denial correspondence.

- ✓Review claims acceptance reports online.
  - Don't wait for mailed correspondence and denials.
  - Speed time from charge entry to payment.
  - Stop error cycle by having responsible staff correct errors and re-submit.
  - Proof of timely filing

23 Questions?

Download handout / links

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24 ▨ **Attend coding classes in your specialty.**

- ✓ Modifier –59
  - – Used to identify procedures or services that are normally reported together, but need to indicate a particular circumstance such as different encounter or session, different procedure, different site, different incision, different excision, different lesion, or different injury
  - – Widely misunderstood and abused
    - OIG Worklist
  - – Will bypass edits for payment so take it seriously.