

Best Practices to Improve Billing and Collections

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National Medical Billing Services
Our ASC Expertise. Your Advantage.

June 15, 2012

10th Annual Orthopedic, Spine and Pain Management Driven ASC Conference:
Improving Profitability and Business and Legal Issues

Overview

- Take a look at the front end process
- 24 hour turnaround
- Tough coding issues ASCs face today
- EDI world
- Correct cash posting is critical
- Managed care contracts
- Setting collection goals
- Denials and appeals
- Patient billing practices
- Excellent reports
- Key performance indicators
- Conclusion

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On the Front End

- Always start at the beginning
 - Insurance verification
 - Registration accuracy
 - Collection of co-pays/co-insurances and deductibles at time of service
 - COB forms
 - What's your error rate? You need to know

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24 Hour Turnaround

- How long does it take to get 95% of your claims to the carrier (not just out the door)?
 - EHR completed and received
 - Coded, charge posted and audited
 - Claims submitted
 - Accuracy is more important than setting a 24 hour goal

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Quality of Medical Records

PROCEDURE NOTE
 DATE: [REDACTED]
 PATIENT: [REDACTED]
 PREOPERATIVE DIAGNOSIS: 1. Bilateral Knee D/O
 POST OPERATIVE DIAGNOSIS: 1. Same
 SURGEON: [REDACTED]
 ASSISTANT:
 PROCEDURE: Left leg arthroscopic repair of meniscus
 RIGHT KNEE arthroscopic partial meniscectomy
 COMPLICATION: NONE
 ANESTHESIA: LOCAL
 (PROCEEDING TO OR 11:15)
 After informed consent was obtained, the patient was placed in the prone position. The patient was prepped and draped in the usual sterile manner using Betadine. The area was then infiltrated with 1% lidocaine. A 20-gauge needle was advanced under fluoroscopy to the left hip to inject saline along with loss of resistance was expected with completion of pain to the left knee. The patient tolerated the procedure extremely well without requiring any sedation or analgesia.
 After removal of evidence of fluoroscopy.
 POST PROCEDURE: The patient tolerated no complications.
 PLAN: The patient is to return to the clinic in 1 week.

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Tough Issues Facing ASCs Today

- NCCI or not?
- Know how your carriers code
- Claims match
- Missing information
- Unbilled report

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MD Query

NMBS SURGEON QUERY FORM

Facility:
Patient Name:
Date of Service:
Date of Birth:
Physician:

Please take a moment to clarify the following information. This form will become part of the patient's medical record as an addendum to the operative report. The information that follows is required to complete the coding on this patient's account. Please check the correct line item box OR provide the missing information and sign below.

Please clarify which compartment(s) synovectomy was performed:
☐ medial compartment
☐ lateral compartment
☐ patellofemoral compartment

MD Signature _____

Thank you,
Jessica Edmiston, CPC

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Implants

- Scheduling cases with implants
- Know your center and your payers
- Why bill with an invoice?
- Split and bill – what is it?
- A simple code change may pay
- Bill it out – even if the carrier does not pay
- Carve outs

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The EDI World

- 5010 Headaches
- Compliance deadline: June 30th
- Does your clearinghouse use an intermediary?
- Work with carrier EDI departments to identify payer problems
- What to do when your claims aren't getting to the payer...
- Your safety net

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Correct Cash Posting is Critical

- First responder
 - Identifies incorrect payments
 - Logs denials
 - Zero pays
- Powerful position
 - Control cash posting
 - Control credit adjustments
 - Control system balancing
 - Control denial management
 - Control necessary follow up
 - Control integrity of financial data

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Managed Care Contracts

- Are you sure it's a managed care company?
- Reimbursement methodology
- Rates and implants
- Multiple procedures
- Timely filing limits
- Will they abide by state laws?
- EDI and EFT requirements
- Product cram down
- Silent PPO language (with cherry picking)
- Most Favored Nations clause

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Setting Collection Goals

- Case count and CPT codes/case
- Case mix
- Payer mix
- Net revenue as a percent of gross charges
- Average reimbursement per case (in total and by payer)
- Days in A/R
- Re-evaluate each month
- Unfair collection goals
- Audit every station in the revenue cycle

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Common Denials

- No authorization
- Lack of medical necessity
- Need medical records
- Demographic errors
- COB
- Maximum benefits reached
- Diagnosis inconsistent with procedure
- Incomplete/incorrect claim submission

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Take Backs

- Negative balance invoicing
- Investigate first
- Could be claims matching
- If they're wrong, fight it!
- Use the professional side if needed

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Understanding Out of Network Reimbursement

- Establish what is considered to be a "low" payment for your OON carriers
- Trained payment posters to flag low payments and alert A/R follow up team
- Back end negotiations for reconsiderations on additional allowance for "underpaid" claims
- Stay on top of OON payment trends and recent case laws

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The Art of Appealing

- Verbal vs. written
- Create letter templates for each common denial
 - Gather and mail appropriate information
 - Generate an effective appeal letter
- Winning the appeal
 - Develop relationship with carrier
 - Document conversations
 - Be persistent

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Patient Billing Practices

- Electronic insurance verification and patient benefit solutions
- Accurate statements
- Stay on schedule
- Patient payment portals
- Establish collection practices

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Excellent Reports

- Daily
 - Deposit log reconciled with actual deposits
 - Account management activity details all follow up
 - EDI reports matched to batch reports
- Weekly
 - Missing information report to capture all information necessary to code and bill for maximum reimbursement
 - EDI management reports details claims not making through edits
- Monthly
 - Cumulative unbilled
 - Write offs
 - Aged collection ledger
 - A/R by carrier
 - Unapplied payments
 - Case analysis

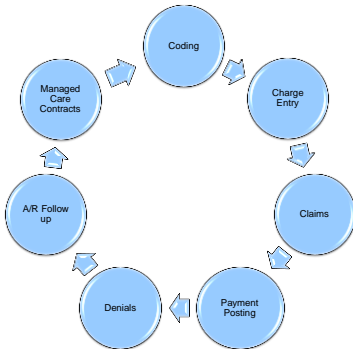
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Key Performance Indicators

- KPIs help an organization define and measure progress toward its end goals
 - Must be measurable
 - Must be the critical factors driving the success of the operation
 - Need to track current performance of KPIs and compare to national/regional benchmarks and company goals
 - Many things are measurable – doesn't necessarily mean that it should be a KPI
 - Keep KPIs to a small number in order to remain understandable and manageable
- How to use KPIs
 - As a performance management tool
 - Provides a clear picture to all team members of what's important and helps focus everyone on the critical success factors
 - As a carrot
 - Post KPIs everywhere for all to see
 - Show the target for each KPI and show progress toward that goal
 - All team members should eat, breathe and sleep these KPIs

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Conclusion



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Thank You

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