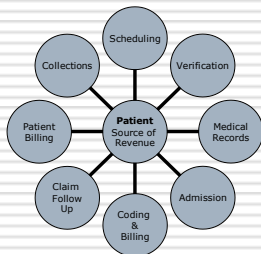


Optimizing Your Revenue Cycle

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Functions Within the Business Office of ASCs



Separation of Duties

Separation of duties is one of the key concepts of internal control. Its function is the prevention of fraud, theft and errors. This is achieved by dividing the tasks among staff members to insure checks and balances.

Scheduling

- ☐ Approved Procedures
 - Medicare
 - Workers Compensation
 - Medicaid
- ☐ Out of Network Insurances
 - Watch for plans that curtail out of network provider's revenue.
 - ☐ MNRP
 - ☐ Paid according to some database

Verification

Don't verify too far in advance.

- ☐ Establish a Policy on Benefit Verification
 - Make a list of questions for employees.
 - Always document who you spoke with and time.
 - Website vs. talking to live person when verifying benefits.
 - Authorization ... if in doubt call.
 - If out of network with carrier try to determine if center will be paid enough to perform the case.
 - Call patient and inform them of their *estimated* financial responsibility.

Verification – other tips

- ☐ Watch for policy exclusions and limitations.
- ☐ If uncertain
 - Verify claim address/payor ID.
 - Check what format they want facility claim, i.e. CMS 1500, UB04.

Admission

- ☐ Verify registration information with patient make corrections immediately. Reprint demographic sheet.
- ☐ Copy or scan insurance cards front and back.
- ☐ Copy or scan patient photo ID.
- ☐ Double check information entered into software system.

Admission

- ☐ Collect patient responsibility...copay, co-insurance deductible.
 - Best chance to collect the patient portion.
 - If patient needs payment plan, have all papers signed at admission. Billed immediately after surgery for the estimated amount they owe.

Managing Outsourced Tasks

- Have system in place for tracking operative report deficiency.
 - ☐ Call transcription if op note not back within 24 hours.
 - ☐ If no dictation received, business office manager calls surgeon.
 - ☐ If no dictation in 48 hours, administrator calls surgeon.
 - ☐ Can be a quality reporting event.
- Have system in place for tracking pathology report receipt.
 - ☐ Log.
 - ☐ Reports should be received within 24 to 48 hours unless special testing required.

Coding and Billing

- ☐ Internal vs. external coding.
 - Audit at least annually for accuracy.
 - Audit if change in staff or coding company.
 - If physicians code also audit their coding.
- ☐ Have a benchmark in place for when claims should be billed...i.e. within 48 hours of the date of service.
- ☐ Electronically file as much as possible
 - Monitor transmission reports for errors after transmitting claims. Watch that payor accepts claim.
 - Correct errors immediately and resend.
 - Have several people knowledgeable on how to transmit claims electronically.

Workers Compensation

- ☐ Obtain name and contact information of adjuster prior to date of service.
- ☐ Verify billing address.
- ☐ Obtain WC claim/file number.
- ☐ Obtain authorization if necessary and what process is if codes change.
- ☐ Negotiate payment prior to services being rendered if self funded or non regulated.
- ☐ Claim in paper.
- ☐ Operative Note and Implant invoices attached to claim.

Insurance Contracts

- ☐ Know the facility's contracts
 - Do you have the carrier's claims processing manual?
 - Does your contract pay for implants?
 - ☐ Are you to use an implant supply company?
 - ☐ Nursing's role
 - ☐ What is the \$ threshold if any...
 - ☐ What revenue code is to be used for billing certain HCPCS codes...
 - ☐ Is/are the implant/s to be marked up so that the facility will be paid correctly...
 - ☐ Are invoices required...
 - Do you have a system in place to know if you are paid correctly?

Claim Follow Up

- ☐ Have system in place for regular and consistent claim inquiry. System reports, tickler list etc.
- ☐ Initial follow up no more than 15 days after submission of claim.
 - Ensures claim is there and processing
 - Detection of errors
 - If no claim
 - ☐ Check card to ensure information correctly entered.
 - ☐ If checking through website call customer service.
 - ☐ Check billing address or if claim transmitted electronically.

Claim Follow Up

- ☐ Subsequent follow up every 7 days.
- ☐ If claim is still processing in a month talk to real person there usually is a problem.
- ☐ Continue to call weekly even if you are told it will take more time...remember the squeaky wheel gets the grease.

Claim Payment

- ☐ Watch payment posting.
- ☐ Has the insurance company paid according to contract?
- ☐ If out of network is payment adequate? Does it need appealed?
- ☐ Is this an overpayment or a duplicate payment? Is a refund due to the patient?
 - Always check the payors website for instructions on refunds.
 - Have a system in place for communicating refunds to the person

Billing Secondary Insurances

- ☐ Must always send primary insurance remit.

Insurance Company Appeals

- ☐ Call carrier and determine if processed correctly.
- ☐ Determine insurance company's appeal process ... appeals address, forms etc.
- ☐ Letter should concisely and accurately detail the problem.
- ☐ Determine information needed to be submitted with appeal.
 - ☐ Verification information
 - ☐ Costing data
 - ☐ Contract information

Patient Payment Plans

- ☐ Bill patient immediately after surgery for their part.
- ☐ Use service or obtain debit/credit card information so payments can be automatically deducted per agreement.
- ☐ Aggressively monitor payment plan.
- ☐ Call and speak with patient if payment is delinquent.

Collections

- ☐ If a patient ceases to make payments, all attempts to contact and work with the patient have failed, collection action must be taken.
- ☐ Types of Collection Action
 - Small Claims Court
 - ☐ Writ of Execution
 - Attorney
 - Collection Agency

Collection Agencies and Collection Attorneys

- ☐ Letters.
- ☐ Monitor the progress of collections with attorney or agency monthly.
- ☐ Evaluate if chosen agency or attorney is successful with debt payment.

Small Claims Court

- ☐ Have the Business Manager or Administrator attend the Small Claims Court hearing if permitted by law. Do not hire attorneys to do this.
- ☐ Evaluate if amount owed is worth the time involved in going this route.
- ☐ If successful and still no payment seek Writ of Execution.

Daily Reconciliation

A process that must occur daily whereby transactions made in surgery center's software system for money collected on patient accounts is tied to the deposits made into the bank/accounting program.

And Finally...

- ☐ Continually monitor activity within the business office. Administrator should be actively involved with this process.
 - AR Days
 - Follow up activity
 - Staff productivity
- ☐ Know what reports will give you the management information to do the above.

Questions
