



Per-Sé
TECHNOLOGIES

Your Health Is The Bottom Line

**Third-Party Billing Company perspective
regarding Physician Group Practice
verification of compliance activities**

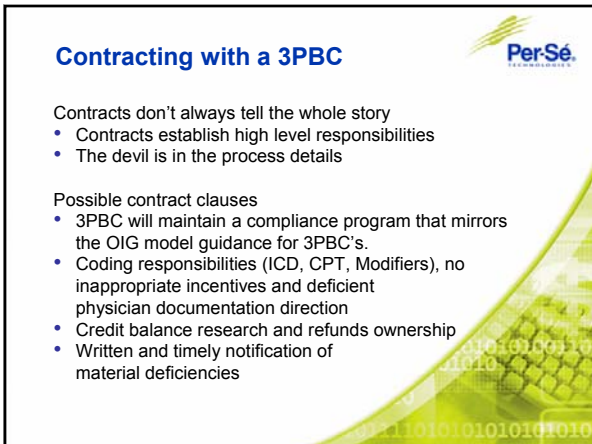
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Table of contents

- Contract recommendations
- A strategy to make the verification process actually happen
- Key categories and inspection pointers



Contracting with a 3PBC

Contracts don't always tell the whole story

- Contracts establish high level responsibilities
- The devil is in the process details

Possible contract clauses

- 3PBC will maintain a compliance program that mirrors the OIG model guidance for 3PBC's.
- Coding responsibilities (ICD, CPT, Modifiers), no inappropriate incentives and deficient physician documentation direction
- Credit balance research and refunds ownership
- Written and timely notification of material deficiencies

Verification – making it happen!



- Many physician groups do not perform enough 3PBC compliance inspection to adequately protect themselves.
- Complex business arrangements and shared responsibilities must be jointly managed. There are often several third-parties. Don't assume!
- Your requirement to inspect sets an important tone.
- How do you move from good intentions to real action?

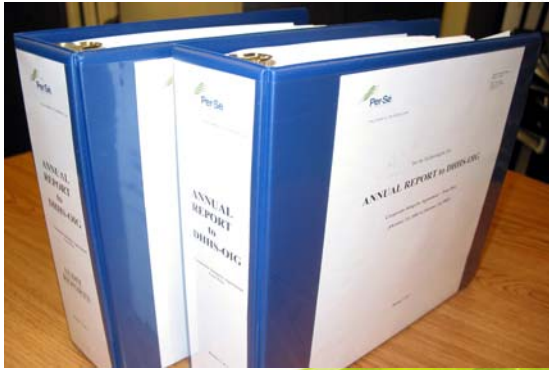
Solution: The Annual Report




- Recommend creating an annual report.
 - Formal and professional touch
 - Reviewable by governance functions
 - Archives the history for trending
 - Evidence of program accomplishments
- Develop a standard table of contents
 - Defines what is important
 - Two compliance programs to track
 - Physician Group
 - 3PBC
 - Create the empty binder early in the year

Build it and it will fill up!

Annual Report Binders



Annual Report Contents



This TOC was corporate integrity agreement defined.

1	Compliance Office
2	Policies and SOC
3	Training
4	I/O, Audit, & Monitoring
5	Audit Problem Summary
6	Overpayments
7	Hotline
8	Exclusion Review
9	Legal Proceedings
10	Location List
11	Disco Clients
12	Annual Report Certification

The archives



Two levels of verification - High



- High level - 3PBC's compliance program
 - Copy of the compliance program overview (Exhibit A)
 - Annual certification letter
 - 3PBC has adhered to all aspects of its published program.
 - Medical coders and production personnel were not compensated in any way related to reimbursement.
 - Highlight regulatory, policy or program changes

Two levels of verification - Low



- Low level – Physician Group specific
 - Medical coding
 - Responsibilities
 - Process review
 - Results
 - Credit balances
 - Aging, timeliness and refunds
 - Billing system
 - Data feeds, utility and translation files, edits
 - Training
 - Courses, attendance

Medical coding verification



- Responsibilities often change by facility.
- Payer audit requests – require immediate notification
- Audits
 - Did the 3PBC conduct any formal claim reviews?
 - What were the results and corrective action?
 - Any provider deficiencies?
- Coding quality assurance results
 - Obtain list of medical coders.
 - Review accuracy rates of each coder.

Related to Medical coding



- Quality of provider documentation
 - What were the return-to-provider rates for each provider?
 - What are the opportunities for improvement?
- Monitoring
 - Was any analysis performed to detect any aberrant practices (behavioral outliers)?
 - 3PBC coding practices
 - Physician behaviors

Credit balance review



- What is the 3PBC policy?
- Understand any differences in refund handling for various pay-classes
 - Government
 - Commercial
 - Managed care
 - Self-pay
- Verify research timeliness
- Refund reason code analysis
- Obtain credit balance aging snapshot with explanations for account balances > 60 days

Billing systems – Hot! Hot! Hot!



- Major source of claims errors
 - The errors are repetitive.
 - Prone to out-of-sight, out-of-mind syndrome
- Evaluate maintenance processes
 - Charges
 - Changes to hospital electronic data feeds
 - 3PBC translator utilities
 - Beware old hospital codes being redefined
 - Demographics
 - HIPAA transactions requires new data content
- Inspect utility tables (fees & code library) reimbursement patterns and edits review

Training



- Review compliance program training requirements
- Level 1 verification – 3PBC certification letter that training was delivered to all employees directly supporting the client.
- Level 2 – plus inspect course material
- Level 3 – plus obtain copies of employee “signed” certifications of training attendance.
