

# PHYSICIAN PRACTICE COMPLIANCE CONFERENCE

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## Out Patient Billing and Coding: *Is Your Revenue Washing Down the Drain?*

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## Out Patient Billing and Coding

- **What we will discuss today:**
  - **Piping together a structure and process for accurate coding and billing of patient claims**
  - **Lost potential revenue – where to stop the “leaks”...**
  - **Plunging away those nasty revenue “clogs”**
  - **More idea’s on “washing those troubles down the drain!”**



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## Background

- **The business of medicine has never been more challenging**
  - ↓ reimbursement
  - ↑ cost
  - ↑ complexity
  - **Overwhelmed physicians and staff**
  - ↑ need to “find” revenue

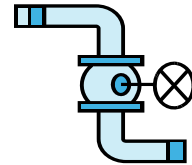


## BACKGROUND

- **One source says 50% of denials will never be resubmitted or appealed**
- **Another source indicates as much as 11% of practice's revenue is lost to denials**
- **A 5/7/07 CMS report listed the top 2 billing errors as incorrect beneficiary information and incorrect POS**
- **A Trailblazers report dated 07/08 for 4 states indicated top billing errors as duplicate claims, non-covered services and medical necessity**
- **A CERT report for 2008 had the states of IN & KY overall paid claims error rate of 3.1% and outpatient established at 4.9% and outpatient new at 18%!**

## Piping Together a Structure and Process

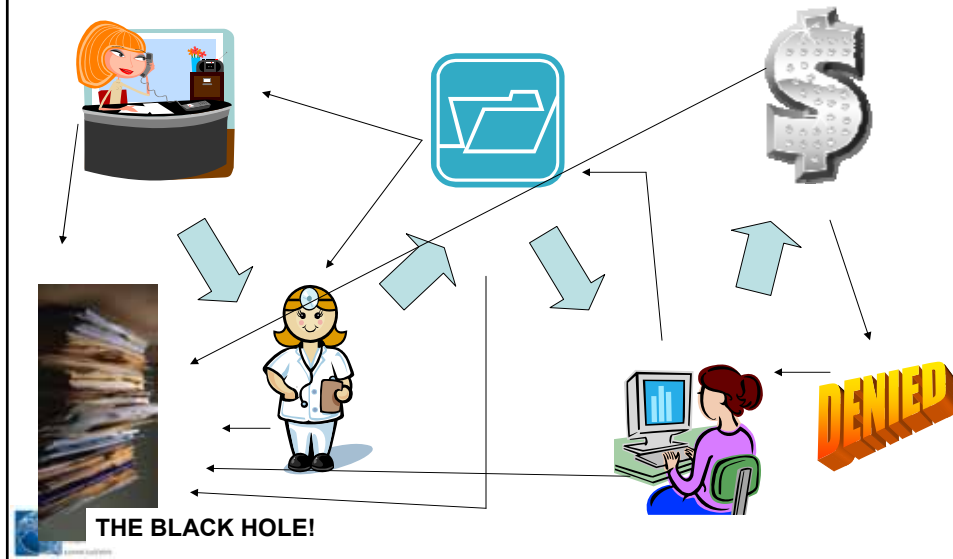
- What is the “life cycle” of your claims?
  - From when the patient walks in the door till reimbursement
- Capture the process
  - Can be simple or complex
  - Involve ALL the staff in laying out the current process on paper
  - Be prepared to be surprised by what you might find...



## Piping Together a Structure and Process- What you THINK you have...

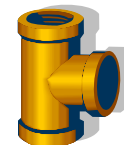


**Piping Together a Structure and Process-  
What you THINK you have...**



**Some things you need to think about...**

- Note areas in the process that ARE stream-lined
- VICE VERSA, what areas is the information is being “clogged” down?
- Indicate # “days” in each area
- Is all the required information being gathered on the FRONT END?
- Is that fee ticket up to date and accurate?
- What about that charge-master? Claim scrubber program?



## Some things you need to think about...

- Do you need policies and procedures? Or do they need to be updated to reflect current procedures?
- Are there coding and billing backlogs? Why?
- Are providers documenting ALL services?
- Are there duplications of work?
- Is there “communication” (i.e. coders & billers; coders & providers, etc.)



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## Top Five Revenue Leaks

- My “Pick Five”
  1. Patient Demographics
  2. Denials/Collections
  3. Inaccurate Coding
  4. Accounts Receivable
  5. Keying Errors



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## Stop those leaks!

- **Patient Demographics**

- Getting the **CURRENT** patient information on the front end will save headaches on the back end!
- Accuracy of data received – verify!
- Educate those front desk personnel
- Detail oriented forms - keep them updated!



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## Stop those leaks!

- **Work those Denials/Collections**

- Dedicate an employee to the task
- Work completely and timely
- Check for error patterns
- P & P's for re-filing and write-off parameters



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## Stop those leaks!

- **Inaccurate coding**
  - Not reviewing current Local Coverage Determinations (LCD's) for ICD-9-CM codes or Correct Coding Initiative (CCI) edits
  - Not updating codes on fee tickets at least annually
  - Not updating Chargemaster or other billing software regularly
  - Staff not properly trained
  - Current coding tools
  - If possible, code from the medical record
  - Not capturing all billable services



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## Stop those leaks!

- **Accounts Receivable**
  - Work that AR regularl
  - Look for error/denial patterns
  - Investigate issues
  - Set parameters write offs/re-bills
- **Keying Errors**
  - Make data entry aware of their errors
  - Communicate denials to data entry
  - Set accountability standards



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## Revenue “Clogs”



- **Credentialing of Providers**
  - Filling it out right – the first time
  - Getting all the key information **BEFORE** the doctor starts
  - Stay on top of it
  - Create a “one stop” form for **ALL** insurances



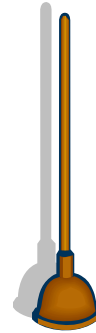
## Revenue “Clogs”

- **Providers!**
  - Can’t (or won’t) write legibly
  - Not documenting *all* their services; not documenting for days or worse of all, not documenting at all!
  - Incorrect documentation.
  - Not understanding “the process”



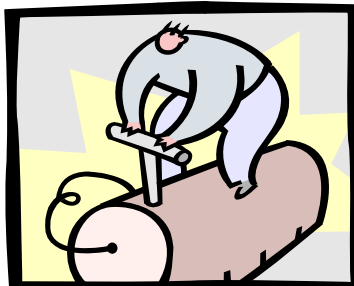
## Revenue “Clogs”

- **Consults**
  - No request (referral) – no \$\$\$
  - Front desk – check for correct request info **BEFORE** the patient is seen
  - Check with carriers for their regulations
  - P & P or office policy
- **“Lost” Fee Tickets**
  - Knowing your process is key
  - Inpatient and outpatient



## # 1 CLOG BUSTER!!!

**An effective auditing and monitoring program**



## Wash Those Troubles Down the Drain!

- Remember – the Goal is for “Clean Claims” the first time around
- “Junk in = Junk out”



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Questions?

Thank you!



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