The Best Billing Practices

Ascertaining your need to employ

Best Billing Practices for your Clinic!

You wish you were taught revenue management at Medical School, considering today the balance between the scales of healthcare delivery and revenue management are just as important. Nevertheless it's not too late to employ the best billing practices to be able to gain expertise in both these areas of your practice

This Best Practices document review will walk you through the

Top 12 Problems and their Solutions

which mar the collections of most practices

1. Accounts Manager

"Who in my office is in charge of my billing?"

2. Credentialing

"To do or not to do? – Adds new patients and new administration tasks!"

3. Clearing House

Is there a Specialist in my office who can overlook this process?

4. Cost of Hardware & Maintenance

"IT has become indispensable in healthcare set ups."

5. Accounts Receivables

"Can you assign individuals to solely concentrate on AR?"

6. Handling a varied payer mix

Do you have time to expertly negotiate with all these payers?"

7. Coding becoming tougher

"If you thought there are a lot of codes that a practice needs to deal with till date then then your practice will need some specific help in the function of coding."

8. Financial Leakage

"Financial leakages, chances are that nobody is willing to tell you about it till the end of the year."

9. Pre visits

"Authorizations and pre-visits result in fewer reimbursement claims turned down."

10. Staff related issues

"In-house staff issues need to be looked into regularly."

11. Administration tasks

"Is your staff constantly trying to balance the administration functions with the billing functions?"

12. Compliance & Regulation

"Keeping up with the various compliance and regulations amidst healthcare reforms."

1. Accounts Manager:
Keeping up with the various compliance and regulations amidst healthcare reforms.

If a healthcare practitioner has a specific answer for this question, they can be termed as lucky clinicians! There are different responsibilities that different people handle in your office but is there any one person who owns the responsibility of having the complete knowledge and control of the billing?

In a billing process it is very essential to have an account manager who is one point of contact for all your needs; and answerable for every ebb and flow of the billing pattern.

If the same Account Manager is also a specialist at the software that is used, most coordination will be eliminated to a streamlined monthly collection.

Outsourcing the revenue process of a medical practice to a company who can provide one person to deal with the entire account including all the billing and software issues will immensely help resolve various reimbursement issues faced by the practice.

"Medical billing functions have grown to such an extent that feasibility lies in letting an Accounts Manager who can solely concentrate and handle all the billing needs, hence responsible for procuring maximum revenue for your practice in turn ensuring maximum reimbursement!"

2.Credentialing:
To do or not to do? – Add new patients and new administration tasks!

Credentialing is an important and eventually necessary for physician practices - to improve your practice performance and serve more patients in a better way.

However Credentialing has become a very hectic process for the provider's office, it is no longer a part-time assignment; it requires full-time attention:

- Complex task of obtaining the appropriate forms and information for credentialing and to follow-up with the insurance companies

- Intricate process with the requirement of sophisticated new software and integration of various vendors to the same platform; like Clearing house, Payer, Software Provider and the billing team

- Needs special attention & timely reviewing of contracts & updating payers about the facility

- Maintaining and complying with in-network and out-network regulations requires a trained specialist who has the highest collections in mind for the clinic

"Now is the time to be proactive and get yourself credentialed by giving it your personal attention for organic growth. Ask for consultancy if you can't invest enough time in research"

3.Clearing House:
"Is there a Specialist in my office who can overlook this process?"

- Setting up with the EDI (Electronic Data Interchange) platform is not simple, firstly the professional trying to coordinate must have a mastery over the software, and then the individual must have the understanding and the experience of settling a process with the EDI team.

- The coordination and the back and forth with the EDI vendor needs to be tight knit in order to finish the process within the least possible time considering the high cost of software.

- Testing and wait period: The first transmission of claim to the clearing house should either be a transmission or a failure, in both cases one needs to track it incessantly. You can expect long hold periods on the phone when coordinating with the EDI team as the problem needs to be analyzed well before a solution is brought forth.

"A specialist, who understands the EDI process well, can deal with clearing house setup and claims, also suggesting solutions to the team, is helpful in speeding up the process of claims transmission and also reducing rejections from the payer's end."

4.Cost of Hardware & Maintenance:
"IT has become indispensable in healthcare setups"

- The decision maker needs to access how much is feasible for the practice to invest in firstly buying and then maintaining the hardware. Payment posting and data verification functions require multiple monitors and processors with higher capability.

- Software costs which escalate per login are another set of variable costs which decision makers need to keep an eye for, as software providers these days have hidden cost per feature of the software to be installed in the Practice Management suite.

- One time buy out of technology may not be seem a task as this may be considered as fixed cost and a compelling one, but the upkeep and recurring cost can really hit the bottom line of the medical practice.

"Web based technologies is becoming more accessible to small/medium size companies which helps them to reduce cost they incur on maintenance, security and upkeep of hardware."

5.Accounts Receivables:
"Can you assign individuals to solely concentrate on AR?"

Your current staff has enough on their plate with filing, tracking and posting claims along with greeting incoming patients, providing education, taking down insurance details and getting forms signed from patients.

While doing any of these functions if the staff member decides to pick up the phone and call the insurance office to get a status on the payment of some claims; the call will land into a long hold period which will keep them distracted from their patient interaction requirements (automatically hitting the Patient Satisfaction Index).

Problems anticipated by most staff members while following up on claims:

- Identification of claims falling outside the timeframe
- Prioritize to work on the claims
- Figure out the disposition of the claims to sort out the issues
- Following up a 2nd or the 3rd time, ideally not possible in the busy office environment
- Payers have become much more detailed in their claims check procedures, and have increased their conditions for payment of claims.
- Timely Collection of payments- This is a major issue in medical billing, the quicker the claims are submitted the faster payments can be received. Electronic claims transmission can improve collection time.
- Collection and Follow-Up Services- Claims submitted do not receive the full amount they need specialists to rebuttal payer coordinators

"Accounts Receivable requiring high amount of analysis is best handled by a specialist; however with physician's staff already burdened by administrative duties it becomes difficult to assign one person to this task. Considering how essential AR is, it becomes imperative to assign a dedicated resource to it."

6. Handling a varied payer mix:
"Do you have time to negotiate with all these payers?"

It is difficult for a practice to find staff trained in dealing with all the payers:

- • Medicare
- • Medicaid
- • Workers Compensation

A specifically groomed team for each is essentially required to deal with all of the above.

Commercial insurance carriers - It is important to analyze payer performance and identify poor performing payers. On average, commercial insurance carriers underpay claims by 7% and billing companies can perform the task of identifying and appeal all underpaid claims.

"The solution to this issue could be through strengthening of payer relationships, developing a negotiation strategy, dropping poor performing payers when necessary and growing the practice with better payers- track the performance of your payer makes regularly."

7. Coding becoming tougher: *"If you thought there are a lot of codes that a practice needs to deal with till date then think again."*

- • **Coding Compliance and Competence:** As much as billing competence does, coding too holds its importance in flawless claim submission and realization. As the outcome of a medical billing largely hinges on coding compliance and competence, physicians are keen on understanding the change that ICD 10 brings to their billing habits.

"Bringing your staff up to the current requirements in coding compliance can be a good idea but the willingness of the professional and size of the team that needs up-gradation does matter –between 2011 to 2016 - 31.9% is the growing rate in healthcare provider outsourcing, the highest growth rate, due to conversion from ICD-9 coding system to ICD-10."

8. Financial Leakage:

"Financial leakages, chances are that nobody is willing to tell you about it till the end of the year."

A medical practitioner in this volatile scenario must be updated about the performance of his clinic. Here are a set of reports that your billing manager must provide:

- Monthly performance Report
- Payment Adjustment Report
- Payer wise report of the receivable stuck with each payer
- Procedure Analysis Report

If some of your EOBs (Explanation of Benefits) are missing, you are sure to lose some of the posting – you can consider going the ERA way and fix the financial leakage easily.

"It is important for practices to maintain reporting of their receivables to constantly review the status of outstanding claims and balances due, however very few physician practices in their busy schedule manage to maintain records or track financial leakages. Take personal note of this before it is too late."

9. Pre visits: *"Authorizations and pre-visits result in fewer reimbursement claims turned down."*

In many cases Patients' insurance coverage may not be checked properly by the hospital and as a result of that the physician does not get his due amount

- **Eligibility Verification or Pre-Screening**: is the foremost on the list of Best Practices in Medical billing Practices; the objective is to determine the patients' eligibility for the insurance coverage for which the medical intervention is sought. Further, it also ensures knowing in advance what is covered or what in not before a patient is registered and admitted for clinical management.

- **Understanding Coverage:** Understanding how the respective insurance carrier would reimburse the eventual cost of medical services is as important as verifying the patient's eligibility for the insurance coverage for which the medical intervention is sought. As it is the insurance company that ensures the reimbursement on behalf of the patient, there should be clear communication and clearance from the respective insurance bearer.

"As instances of denials becomes more common than ever, there is growing realization of the importance of getting patients' health insurance authorized by the respective insurance carriers- an effective front office can help in meeting various complex insurance verifications

and authorizations demands promptly through a well-established network"

10.Staff related issues:
"In-house staff issues need to be looked into regularly."

In-house staff though essential during medical billing comes with certain limitations:

- **Staff turnover -** slowdown could cause a halt in the RCM process

- **Holidays -** though essential outsourcing the medical billing could eliminate this issue for you allowing medical billing to continue smoothly throughout the billing cycle

- **Payroll -** outsourcing would eliminate this function for your practice

- **Additional Benefits of employees –** can be eliminated when the billing services are handled by a medical billing partner

- **Shortage of trained billers -** Procurement, Retention & Management becomes a tiresome activity coupled with the shortage. A medical billing company solely concentrating on the billing functions can procure the best trained billers and provide you with optimum billing services

"These issues being complimentary to every business need to be balanced by choosing an alternative without creating a dependency."

11.Administration tasks:
Administration tasks: "Is your staff constantly trying to balance the administration functions with the billing functions?"

In many cases Patients' insurance coverage may not be checked properly by the hospital and as a result of that the physician does not get his due amount

- **Prioritization of administration tasks:** It is human tendency to balance work which is visible and needs attention, unfortunately Medical billing falls under the procrastinating function

- **When did you last visit your super bill?:** Doctors have been using super-bills for years together without any change to it, no one even updates the relevant information on it

- **Can I improve the customer satisfaction index for my clinic?:** When does a physician get the time to think about this, when he/she is relatively free from Billing issues

- **Can new patients find my facility easily?:** Most modern facilities are listed and visible to patients widely for their access. Newer physicians are aiming to be accessible to their patients via different marketing approaches

- **Who manages my referral channel?:** Ideally the doctor must but a stressed doctor can barely think of networking or helping with researching or procuring references for serious patients

"In house staff in many occasions may need to juggle between handling the administration duties along with all the billing functions unable to give complete justice to either – have your team manage reimbursement along with administration effectively."

12.Compliance & Regulation:
"Keeping up with the various compliance and regulations amidst healthcare reforms."

Amidst healthcare reforms (both federal as well as provincial healthcare quality initiatives) – healthcare documenting is never going to be the same. Few of these include:
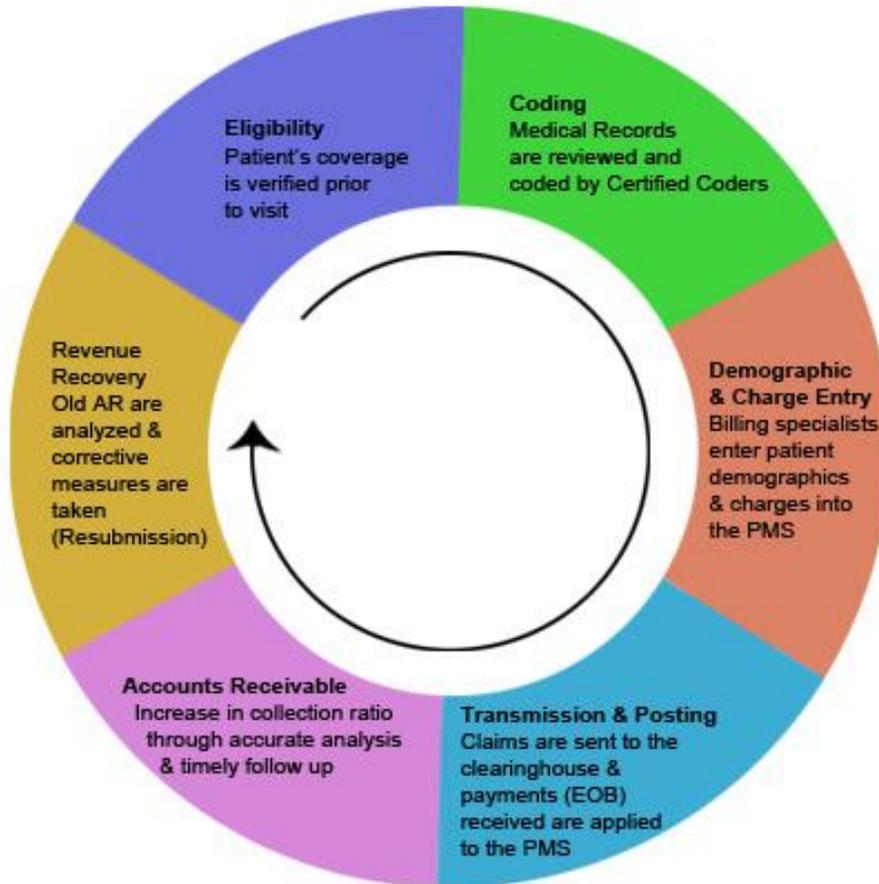
- Linking physician reimbursements to quality outcomes
- Making Electronic Health Recording mandatory for availing incentives under ARRA
- The possible compliance to Medicare Medical Billing norms
- The documentation demand under Medicare's Accountable Care Organization (ACO) model
- The imminent ICD-10 and HIPAA 5010 transition

"Develop a compliance plan which will help ensure the safety, confidentiality, and integrity of data and timely collections- like HIPAA 5010, etc. moreover risk on PHI can be shared with responsible parties."

*"The list of Billing and Practice Management Problems
can go on for long but in this day and age
SOLUTIONS are more pertinent than problems."*

Looking at the
Practice Management
Holistically can be the primary paradigm we can visit:

Eligibility
Patient's coverage is verified prior to visit

Coding
Medical Records are reviewed and coded by Certified Coders

Demographic & Charge Entry
Billing specialists enter patient demographics & charges into the PMS

Transmission & Posting
Claims are sent to the clearinghouse & payments (EOB) received are applied to the PMS

Accounts Receivable
Increase in collection ratio through accurate analysis & timely follow up

Revenue Recovery
Old AR are analyzed & corrective measures are taken (Resubmission)

SOLUTIONS

medicalbillersandcoders.com, the largest consortium catering to diversified specialties across all 50 US states. Has gathered expertise over decades of healthcare servicing, we have serviced hundreds of physicians having reimbursement issues, right from the time clinics were setting up to when they had system up-gradation to when they had major staff turnover issues. MBC's Medical Billing Process includes:

- ➢ Pre-certification & Insurance Verification
- ➢ Patient Demographic Entry
- ➢ CPT and ICD-9 Coding
- ➢ Charge Entry
- ➢ Claims Submission
- ➢ Payment Posting
- ➢ Account Receivables Follow-up
- ➢ Denial Management

To procure the best billing practice, amongst the various benefits MBC offers its clientele few include:

- ➢ Consultancy services
- ➢ No Billing Software Cost
- ➢ No Clearing House
- ➢ Regular Reports
- ➢ Dedicated Team
- ➢ Cost Benefit Analysis
- ➢ Credentialing

As MBC's clients you needn't worry about being updated with the current trends, compliance and regulations, smooth running of your billing process all year round irrespective of holidays or staff issues and investing huge amount in IT.

We are constantly preparing our experts with new regulations like ICD-10, who will handle all your pre-visits, varied payer mix models, provide you with regular updates with one accounts manager solely responsible for your practice needs, giving you and your staff an opportunity to solely concentrate on your patients and administration tasks, spurring improved patient satisfaction.

Should I OUTSOURCE or keep it IN-HOUSE?

This question though the first one in the mind of various physicians can be answered only once each practice issue is deliberated and a general consensus about outsourcing can be decided. Generally if your practice constantly needs some sort of assistance in the issues detailed above, you could benefit from outsourcing for those areas.
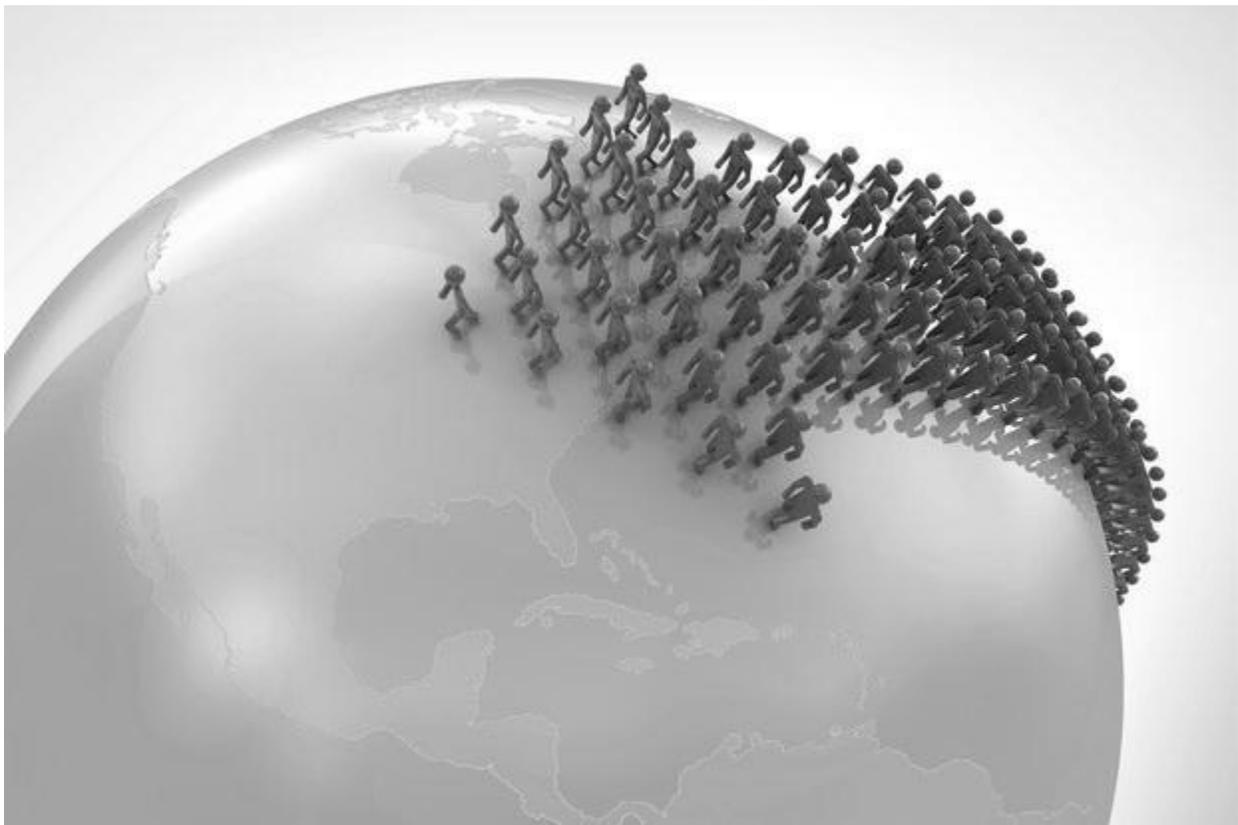
"Call us to discuss your specific views"