

# Practice Money Matters

*A newsletter published by Advantage Medical Billing Company*



## How your Money Depreciates

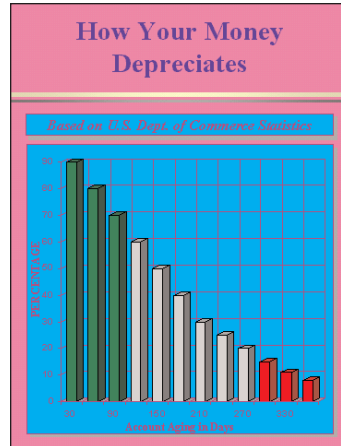
It is important for the health of your practice to keep a handle on the self-pay portion of your accounts receivables. A typical healthcare provider obtains 75–90% of its revenues from third party payers. The remaining 10–25% comes from your patients. This percentage of revenue could be the determination of whether your practice is profitable or not.

The longer this money sits on the books the likelihood of collecting it depreciates. Patient Receivables fall into the following categories:

- \* Uninsured/Self Pay Patients
- \* Co-payments Requirements (Which are becoming substantial)
- \* Deductible Requirements
- \* Non Covered Services

Here are a few ways to get that money into the practice before it starts depreciating:

1. Have a defined collection policy. This needs to be defined to the staff and to the patient. Make sure this policy is in writing. Patients need to be educated and sign off on this policy.
2. Advise the patient at the time of appointment scheduling not to forget their copayment.
3. Have a systematic billing system in place.
4. Contact overdue accounts. Remind them of your terms of payment.
5. Review you're A/R reports and collection reports.
6. Act on those accounts Sooner rather than Later!
7. Enforce your collection policy.



## Message from the Billing Center

First came electronic claims ...  
Now ... a *true* paperless office.

We are presently offering a new Internet Based Service to our clients. This service will allow access to all practice data 24/7 wherever you have an internet connection. The Medical Practice will have the ability to register and schedule patients, print your daily encounters, run financial reports, and access patient account information on demand. In addition, we now have the ability to scan and attach images to the patient record. Ex: Insurance Cards, Operative Reports, Lab Reports. We will be introducing the electronic encounter at the beginning of 2005.

Any providers interested in this please contact us at  
1.877.543.2324

**We want to thank all of our clients and their staff members for their support and wish you all a Very Happy Thanksgiving and HolidaySeason.**

**Please tell your colleagues how they can have "The Advantage"**

### IN THIS ISSUE

How Your Money Depreciates

Message from the Billing Center

Do Your Medical Records Meet These Standards?

Employee Termination and HIPAA Security

Depo Injections 90782

It's Flu Season Again

Waiving Copays

How Long Do I Have to Keep Patient Medical Records?

Remember the Three R's of

Bi-Annual Release of New ICD-9 Codes Beginning 2005 Consultations

Insurers Transitions to Non Social Security ID Cards

**Advantage Medical Billing Solutions LLC**

387 Lafayette Rd. Ste 204/207

Hampton NH 03842

Ph: 603.926.8258

Isacco@advantagemedicalbilling.com

www.advantagemedicalbilling.com

## Do Your Medical Records Meet These Standards?

When you consider that recommendations to defend or settle many liability cases are based not upon medical care rendered but on the quality of the medical records, it behooves every office to adhere to these standards:

1. Include in the documentation of each patient encounter:
  - Reason for the encounter and relevant history, physical examination findings, and prior diagnostic test results;
  - An assessment, clinical impression, or diagnosis;
  - Plan for care (including discharge plan if appropriate); and
  - The date and legible identity of the observer.
2. Make sure the past and present diagnoses are accessible to the treating and/or consulting physician.
3. Include the rationale for and results of diagnostic and other ancillary services.
4. Document the patient's progress, including response to treatment, change in diagnosis, and patient's compliance.
5. Identify relevant risk factors.
6. When appropriate, include in the written plan:
  - Treatments and medications (prescriptions and samples) specifying amount, frequency, number of refills, and dosage;
  - Any referrals and consultations;
  - Patient/family education; and,
  - Specific instructions for follow up.
7. Support through documentation in the medical record all billing codes (including CPT and ICD-9-CM codes) that you report on health insurance claim forms or billing statements.

Note any amendment, supplementation, change, or correction in the medical record not made contemporaneously with the act or observation by clearly identifying it as such and recording the date it was made.



## Employee Termination and HIPAA Security

During the next few months, practices will bring their computer systems into compliance with the Health Insurance Portability and Accountability Act (HIPAA) Security Standards by April 21, 2005. Do not overlook this area of vulnerability: employee termination.

Personnel changes create a gaping security hole in many computer systems. When your practice hires employees and assigns them a security level, they receive access to various systems and programs.

### Depo Injections 90782

Does 90782 include an E/M visit? Does it include the Depo?

You should only report an E/M visit (99211) with the injection if there is a medically indicated E/M service provided at the time of the injection. This does not include noting the injection reason, dose, or follow up.

Typically patients will bring their own depo to your office and you would not report it. However, if it was provided from your inventory you should report J1051, medroxyprogesterone acetate 50mg.

For example, you might provide a new employee everything from a security access card to a voicemail password.

However, if you don't remove each of these items when the employee leaves, he or she could get back into the system and cause harm. This type of retaliation occurs regularly and often embarrasses the employer. For this reason, each time you dismiss an employee, you should follow a formal, documented procedure that also covers the circumstances of the dismissal. Even when an employee notifies you of plans to leave voluntarily, it is a good idea to monitor outgoing e-mail or restrict the employee to a tightly controlled environment to limit theft or digital vandalism.

## It's Flu Season Again

When seeing a patient for just the Influenza/Pneumo Vaccine check administration of one or two Vaccines as appropriate on your encounter. Let your billing service/department know how many vaccines were supplied to you by the state and how many were purchased or notated that you are using state supplied or your own inventory of vaccines and provide a copy of your invoice.

When providing another medically indicated E/M service at the same encounter be sure to select the relevant E/M code for the service provided and the diagnosis which should be different from the routine vaccine diagnosis.

**Be advised that Blue Cross Blue Shield will not pay separately for the vaccine administration when provided at the same time as an E/M service.**

Providers needing an additional allotment of vaccine for the season call 1.888.658.2850 or go to:  
[www.mass.gov/dph/](http://www.mass.gov/dph/)



## Waiving Copays

Many physicians routinely waive deductibles and copays for friends, relatives, other physicians, and their families and employees. If any of these individuals are covered by Medicare, these physicians could be facing fraud charges by the federal government.

Many managed care plans also specify rules against waiving copayments and deductibles, so review your managed care contracts. The best policy is to collect all routine copays and deductibles, with the exception of an occasional hardship waiver for patients who are experiencing financial hardship.

## How Long Do I Have to Keep Patient Medical Records?

Keep an adequate medical record that is "complete, contemporaneous, and legible" for each patient for a minimum of seven years from the anniversary date of last treatment.

If a patient was younger than 18 years of age when last treated, keep the medical records until the patient reaches age 21, or for seven years from the date of last treatment, whichever is longer.

Do not destroy medical records that relate to any civil, criminal, or administrative proceeding if you know the proceeding has not been finally resolved.

## Remember the Three R's of Consultations

Year after year, the lists of top 10 claims billing errors include this item: billing as a consult rather than an office visit. How can you distinguish between the two for coding purposes?

The University of Chicago Office of Medical Center Compliance suggests you think of the three R's that indicate a consultation:

- \* A request for advice or an opinion,
- \* A rendering of an opinion, and
- \* A written report back to the requesting physician.

Follow any federal or state regulation that requires you to retain medical records longer than the above time periods.

Practices should design a retention schedule for each location where they maintain medical records. The plan should include provisions for the automatic transfer of eligible records to inactive storage and, later, destruction of the medical record itself. The policy should specify what information to keep, how long to keep it, and what storage medium to use.

## Bi-Annual Release of New ICD-9 Codes Beginning 2005

In an effort to improve recognition of new technologies, new ICD-9 codes will be released April 1 and October 1. HHS is soliciting comments regarding its proposals for the increased ICD-9 revisions. The more frequent updates will likely prove more costly for publishers of coding books

and software and billing companies, which will have to modify their products more frequently as well as for healthcare providers who will have to purchase the new materials.

## Insurers Transitions to Non Social Security ID Cards

Several insurers are now transitioning to Non SSN ID Cards. To avoid claim payment delays and denials please remember to:

Always ask your patient for their most current ID card.

Perform and eligibility check to ensure that the policy is active.

Make a copy of the Front and Back of the card for your files or scan it into your patients record. Be sure to provide this to your billing service/department as well.

---

**Advantage Medical Billing  
Solutions LLC**  
387 Lafayette Rd. Ste 204/207  
Hampton, NH 03842

