

To Earn a Bonus the Business Office Must Work as Hard as You Are

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Reimbursements are declining and medical debt is rising. Many patients are losing their jobs, and consequently their insurance. Providing top quality of care and having a more-than-full schedule isn't enough anymore. In order to deal with today's economic realities, you need a top-notch staff and systems to ensure that your work is being paid for. You need your business office to work just as hard as you do.

Many practices think reimbursement begins and ends in the Billing and Collection departments. This mistaken attitude wastes staff time fixing errors that could have been corrected at the reception desk. Instead, use an integrated approach to reimbursement management with all areas of your office work together. This starts in reception. A proactive front desk can strengthen billing and collections in several ways.

Making sure claims are filed right the first time. The front desk should verify all demographic and insurance information are correct so claims can be filed error free. There are many effective, online tools to check patient insurance, co-pay amounts, referral requirements and claim status. Take advantage of batch verification, where a list of names can be transmitted to a carrier overnight and be verified against the carrier's database. This identifies when a patient is no longer eligible for a plan, so correct information can be gathered.

Collecting up front. Be sure to use the information you've gained to collect from patients appropriately. Patients are becoming responsible for more and more of the cost of service, with copays increasing. If you see 10 patients a day, each with a \$25 copay, failing to collect at the time of service can really add up.

Helping patients pay. In addition to higher copays, patients are facing rising deductibles. Consequently, your staff needs to do more to obtain payment for services once covered in full by insurance plans. Pre-surgical counseling will ensure the patients understand their responsibility. Consider requesting surgical deposits for the patient's portion and setting budget plans for the balance. It will take an additional investment in staff and resources, but it will improve financial results and patient relations.

These proactive, front-end measures lay the groundwork for success in billing and collections. Your billing staff, however, obviously still has much work to do once a service has been provided. Make sure that they take these steps:

File Claims Quickly. Many managed care plans are shortening filing deadlines, which can result in claim denials. Don't let your practice be subject to losses that can be prevented by education and attention to detail. Post lists of filing deadlines at the reception desk, physician's work station, and in the billing office. Create a unique adjustment code for claims that are denied for missed deadlines so that you can monitor the total value written off each month.

File Electronically When Possible. Too many practices rely on paper claims with operative note attachments for surgical cases. That's often only necessary in cases of unusual procedures, unlisted procedure codes, worker's comp and claims beyond a designated number of lines. Filing electronically is faster and the electronic edit report shows claims rejected by the vendor due to errors. Prompt correction of these claims can prevent denials.

Prioritize Follow Up. Most practices have limited billing resources so getting the maximum return on effort is crucial. The first step is to review EOB remittances returned by insurance carriers, which show you how much they paid and provides detail on any rejections or adjustments. This saves labor intensive phone calls since the EOB already shows what is wrong with the claim. Second, follow up on your A/R by age and dollar value, going after the aging, high value accounts first.

With billing and collections such a high priority, a practice must make sure staff have the tools to succeed. They must keep up with evolving reimbursement rules, advances in technology and economic trends and pressures. Send staff to formal coding workshops sponsored by the AAOS. Make sure they have access to tools such as Medicare's Correct Coding Initiative, Part B News, and other carrier bulletins. Get regular updated training from your information system vendor so staff can respond to any and all requests for reimbursement data. Not only will you have a more educated staff, but you'll be able to monitor the progress your staff they've been making.

KarenZupko & Associates is a physician practice management consulting and educational firm working for and with surgeons since 1985. www.karenzupko.com