Codify
BY AAPC

Dermatology Coding Alert

Practice Management: 5 Steps to Healthier Claims

Learn how common coding mistakes can hurt your practice budget.

As the healthcare industry becomes more complex, providers must be willing to adapt to the new initiatives. Sometimes that means hiring certified staff members that know what they're doing, or investing in training and new software to keep up with governmentally mandated changes.

If your practice is plugging along successfully, but your revenue is still in the slump, take a look at your coding situation. Improper coding, inexperienced coders, and the lack of updated training and resources are likely getting in the way of your fiscal viability.

1. Stay Abreast of the New ICD-10 Changes.

Even though this has been years in the making, the transition from ICD-9 to ICD-10 has really been difficult for some practices. ICD-10 really does enhance documentation, making it easier for providers to convey the diagnosis, procedure, and treatment more thoroughly to coders. But, despite the benefits garnered from its use from sharing information amongst providers to coordination of care to simplifying the claims process, some practices are falling behind because of it.

Unfortunately, the pesky ICD-10 updates the alterations, the clarifications, and the rulings must be followed, sometimes weekly, to ensure that your practice is in the loop. Keeping an eye on the new wording, the extra digits, and so much more is a lot for some providers and their coders to handle.

Manage the means. If ICD-10 changes have got you flummoxed, try adding some quick tools to your staff resources. Invest in ICD-10 code books, follow online coder alerts, utilize practice management and EHR programs that give ICD-10 updates in real time, and most importantly, make your staff aware that understanding the changes is crucial to the practice's livelihood.

2. Make Sure Your Notes and Your Codes Match.

Even though Medicare keeps trying to make it easier with tools like its National Correct Coding Initiative, coding problems are the bane of the healthcare industry. Whether your incomplete notes are a cause for concern or the coding books and software your staff use are from the dark ages, it's time to fix the problem.

Consider this: If the auditors come calling, do your notes justify what you've billed? Insufficient documentation ranks first, followed closely by a lack of medical necessity and improper coding, as the top reasons that Part B claims are deemed improper, according to the CMS Supplementary Appendices for the Medicare Fee-for-Service 2015 Improper Payments Report.

Quick fix. Embracing technology and all the services available now really can eradicate many of these issues. The upfront cost is worth the long-term gain mobile EHRs, dictation software, a trained and certified staff, and crisp, new coding resources will put your practice back on track.

3. Watch Your Modifiers.

Correctly using modifiers is a big deal, and if added haphazardly, can cause a claims avalanche that leads to payment reversals. These codes are confusing, but they are essential and explain the specifics of the service.

Background. The OIG published a report recently about a Huntsville, Alabama, hospital that received $3,893,152 in

overpayments in 2013 and 2014 for myriad reasons. Of the 277 Medicare claims reviewed, the OIG discovered errors in 90 of the 137 outpatient claims because the auditors believed modifier 59 (Distinct procedural service) was used incorrectly.

The Alabama hospital was able to recover some of its lost income in dispute of the claims, but much of that income was lost because the modifier didn't go with the proper CPT® code or another modifier should have been used in its place. A thorough understanding of the minutiae associated with modifiers would have rectified these payment reversals.

Both online resources and handbooks abound to help your coding staff with this tricky add-on.

4. Hire Certified Coders and Billers.

Whether you outsource your coding and billing or hire people to do these jobs in-house, providers can no longer ignore the necessity of hiring certified coders and billers.

"Medical coding is the lifeblood of all successful practices and facilities," explains the American Academy of Certified Coders (AAPC), "Certified medical coders must have a good understanding of anatomy and physiology, the disease process, and clinical procedures in order to apply the correct codes that make up health records, claims, and the business side of medicine."

Like a medical coder, a certified biller must have a comprehensive understanding of CPT®, ICD-10-CM, and HCPCS Level II coding guidelines as well as be versed in revenue cycles, payer and patient requirements, reimbursement, and claims denials. With a smaller practice, the coder and biller may be the same person, but with larger groups it is wise to hire two different individuals or groups for these two different and distinct roles.

The importance of the certification cannot be understated, particularly with the new payment models and the need for Medicare Part B transparency with the implementations from MACRA. A good place to start your search for certified staff is the AAPC website, which offers a plethora of information for both providers and healthcare workers interested in becoming certified coders and billers.

5. Train, Update, Audit.

From coding to compliance, a successful practice is like a well-oiled machine, and with the right tools and parts can easily avoid common practice pitfalls.

A highly trained staff can focus on what matters most patient care. Training needs to be ongoing versus an annual event because the rules, regulations, updates, and laws that are pervasive in healthcare today don't come out annually; they change daily. Communication and a willingness to invest in education are the hallmarks of successful providers.

With all the advancements in mobile technology, practice management software, and EHRs over the last few years, it's easy to keep up-to-date with CMS, ICD-10, healthcare trends and initiatives. A knowledgeable healthcare IT firm, who understands coding, HIPAA, and compliance, can evaluate what your needs are and adapt to your budget.

Checks and balances keep the healthcare industry honest from top to bottom. Annual audits, both internal and external, are necessary to see where you and your staff are succeeding and failing. This needs to be at the top of your checklist, especially in regard to coding errors and compliance issues.

Resources: For more information about the OIG report involving a Huntsville, AL hospital, visit http://oig.hhs.gov/oas/reports/region4/41500107.pdf.

To take a look at the CMS Supplementary Appendices for the Medicare Fee-for-Service 2015 Improper Payments Report, visit www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/CERT-Reports-Items/Downloads/AppendicesMedicareFee-for-Service2015ImproperPaymentsReport.pdf.

For more information about coding certification, visit www.aapc.com.

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