

## Optometry Coding & Billing Alert

### 8 Simple Steps Adjust Your Fees For Higher Reimbursement

#### Are you losing money if a carrier pays dollar for dollar on a claim?

If you haven't done a simple analysis of your fee schedule yet, there's no time to lose. Without a periodic assessment of your fees, you can't be sure carriers are paying you every dollar you deserve.

**Secret:** There may be no cause for celebration if you receive \$100 payment on a \$100 claim, says **Pat Suhr, RN, CPC**, billing manager for a medical practice in Harrisburg, Pa. The carrier would likely pay more if you simply charged more. Don't let a fear of adjustments stop you from raising your fees in an attempt to collect your payer's maximum allowable amount, she says.

Performing a thorough fee schedule evaluation and adjustment is a monumental task. "It took us a good six months" to complete a fee schedule review, Suhr says. However, there's no reason why you can't perform a quick fee analysis today to ensure you're not missing out on any reimbursement. Follow these eight easy steps:

#### Try This Quick Fee Analysis

1. Identify the services your practice performs. Create a spreadsheet and list all the procedure codes in column one.
2. List your current fee for each procedure in column two.
3. List your reimbursement amount from each of your payers in the subsequent columns.
4. Find the highest reimbursement amount, or maximum allowable, for each code from your payer data. List these numbers in the next available column.
5. Compare your current fee to the highest allowed fee. Calculate the difference and list those numbers in the last column of your spreadsheet. For example, if your current fee for 92353 (Fitting of spectacle prosthesis for aphakia; multifocal) is \$300, and your maximum allowable is \$335, the difference is \$35 - that's \$35 you're missing out on because your fee is too low.
6. Increase immediately any fee that is lower than your highest payer's allowable. This is money that you deserve.
7. Review any fee that is much higher than your highest allowable. The fee may be unnecessarily high and do nothing for you except increase your adjustments.
8. Make sure none of your fees are below Medicare's fees. You should never have a fee that falls below Medicare's price, says **Michelle Disney**, accounts receivable coordinator for American Eye Care in Burlington, Iowa.

This may sound like overly obvious advice, but "I can't tell you how many practices I've gone into and found fees that are below Medicare," says **Barbara J. Cobuzzi, MBA, CPC, CPC-H, CHBME**, president of Cash Flow Solutions Inc. in Brick, N.J.

#### The Benefit: Become Aware of Practice Costs

You have to get in the habit of thinking of your practice as a business, Suhr says. And you need to know that your billing office is managing your charges and A/R as efficiently as possible. If your billing office is doing its best and you're still facing cash-flow difficulties, your best bet is a fee analysis. And even if your practice is extremely profitable, you could still benefit from analyzing your fees, Suhr says.

**What you may find:** A fee analysis will help you to determine services that are profitable and those that are not. "You have to understand what it costs to run your office" to make any business decisions, Suhr says. Even a quick analysis of your fees can help you gain this understanding and decide accordingly.