

Optometry Coding & Billing Alert

Build a Better Business: 3 Steps Help You Uncover Missed Billing Opportunities With

Tip: The same audit process and timeline won't work for every office -- identify your practice's needs.

If your optometry practice doesn't conduct regular internal audits, you're likely losing money and overlooking billing mistakes that could result in a payer audit. Identify areas where your practice's inefficiencies may be delaying payment or allowing for missed charges, while also evaluating your compliance with payer regulation and coding guidelines, by learning how, when, and why to perform internal audits.

Ensure Everyone Knows Why an Audit Is Important Before beginning your audits, you need to get your office staff, including the optometrists, on board. Without support, you'll struggle to perform the audit and then the results will be fairly meaningless if no one is prepared and willing to act upon them. Once you have the buy-in from the physicians and senior staff, you should then present the internal audit to the other staff. Explain to everyone in your practice why an internal audit will benefit your practice.

"Internal audits are a way to make sure you are on track and nothing has gone awry," says **Barbara J. Cobuzzi, MBA, CPC, CENTC, CPC-H, CPC-P, CPC-I, CHCC**, president of CRN Healthcare Solutions, a coding and reimbursement consulting firm in Tinton Falls, N.J., and senior coder and auditor for The Coding Network. "By doing internal audits, you can identify opportunities for education, opportunities for the development of better forms, and opportunities to tune up the practice in terms of its processes visa vie the compliance commitments made by the practice."

Additionally: "Internal chart audits make it possible to find and correct coding errors and self report, rather than letting Office of Inspector General (OIG) find the errors and possibly add fines," agrees **Jetton Torix, CCS-P, CPC-H**, course director of Knowledge Source Seminars in North Port, Fla. and Cross Country Education instructor. "It is better to do an internal audit to identify any opportunities the practice has to improve in the areas of documentation, coding, process, and compliance without anyone from the outside coming in and imposing it on them, while taking monies from the practice, accusing them of fraud and/or abuse, civilly or criminally," Cobuzzi adds.

Choose Prospective vs. Retrospective Auditing

There are two types of internal chart audits your practice needs to look at before determining which will work best in your office:

- Prospective audit -- Your practice examines new claims before you file them.
- Retrospective audit -- Your practice examines paid claims.

A prospective audit helps you identify and correct problems before sending the claim, which could mean you'll discover incorrect coding or charges that would otherwise have been missed. Keep in mind that this type of chart audit can potentially delay billing, however.

Alternative: Retrospective chart audits do not delay billing, but causes your office to be reactive by refilling claims, rather than proactive in finding problems before you submit the claim.

"Prospective audits for coding and billing are always better than retrospective audits because, if an error is found, you don't have to pay the money back and bring to light to the payer that an error took place," Cobuzzi says. "But if it is not possible to do prospective audits, retrospective audits can take their place. Just remember, that any errors in billing or coding must be corrected, this includes under and over payments."

Best bet: Your practice must determine for itself what types of audit your staff can reasonably complete and what effects on claim submission timing and cash flow the practice can handle. Determine Your Audit Schedule and Process How often your practice performs an internal audit will depend on the size and type of your practice. Consider the amount of resources the practice can devote to the audit while simultaneously conducting day-to-day office business.

Pointer: Remember that the more often you can audit, the cleaner your claims will continue. At a minimum, you should conduct an internal audit at least twice a year, experts advise. After you've prepared your staff for the auditing process and determined when you'll perform an audit, you'll need to define the focus of the audit. Ask: "What do we want to accomplish?" Then focus on the following points:

Determine the audit's scope -- Which providers, services, date range, and payers will it address?

Determining how to select charts. Will you fix this process for each provider, or will you randomize the chart selection?

Pull charts and organize supporting documentation, such as a printout of physician notes, account billing history, CMS 1500 forms, and explanations of benefits (EOBs).

Tip: "There are multiple ways of selecting charts ... it depends on what you are trying to find out," Cobuzzi explains. Your internal audit should deal chiefly with procedures and services that your office most frequently provides. Keep in mind that a practice's top-20 high-volume codes typically account for 80 percent of its reimbursement.

So focusing on these 20 services is a good place to start.

"I like to pick a busy day and audit every chart for that day to get a good idea what is happening in the practice," Torrix says. You should also consider the OIG work plan when deciding where to focus your energy. The OIG plan, designed to help practices adhere to federal guidelines when billing, is online at http://oig.hhs.gov/publications/docs/workplan/2010/Work_Plan_FY_2010.pdf.

"Remember an audit is much more than coding, it involves, documentation, coding, billing and data input, denials management, and office process following policies and procedures," Cobuzzi says.