

Optometry Coding & Billing Alert

READER QUESTIONS: Enter the Paper vs. Electronic Claims Debate

Question: Does Medicare accept paper claims anymore? I've heard that all claims have to be submitted electronically, but another biller told me her practice still uses paper claims.

Idaho Subscriber

Answer: On Oct. 1, 2005, CMS told you to say goodbye to paper claims. That was the date that physicians and other providers were told they could no longer submit any paper Medicare claims. The rules are part of the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

There are some exceptions to this rule, however. Physician practices with fewer than 10 full-time employees and institutions with fewer than 25 full-time employees were permitted to continue submitting paper claims.

Important: You need to get special permission from Medicare before you use paper claims instead of electronic filing, however.

Caution: If you do decide to still send paper claims instead of using electronic claims submission, you may have trouble proving timely filing. Most, if not all, payers are only accepting the electronic records as proof of timely filing.

Additionally: The Administrative Simplification Compliance Act (ASCA) prohibits payment of initial health care claims not sent electronically as of Oct. 16, 2003, with some exceptions. You can find a list of the exemptions along with a self-assessment to determine if your practice qualifies for one of the exemptions online at www.cms.hhs.gov/ElectronicBillingEDITrans/05_ASCASelfAssessment.asp.

Best bet: Check with your Medicare carrier before submitting any paper claims to see if you qualify for an exemption and to find out the process you need to go through to obtain an electronic claim submission waiver.

Tip: When you are billing using modifiers such as 22 (Increased procedural services) and 52 (Reduced services) where you need to supply additional supporting documentation, you should submit your claim electronically first so you have proof of timely filing, and then drop the claim to paper. Submit the claim a second time via paper, making sure to stamp Paper claim of electronically transmitted claim with supporting documentation attached on the face of the claim.

But why are you not filing electronically anyway? Even a small, one-doctor office with no employees would benefit from electronic claims. Remember, electronic claims to Medicare pay two weeks quicker than paper claims. Fixing mistakes and refile is much quicker and easier to do electronically compared to fixing, reprinting, and remailing paper claims.

-- Answers to You Be the Expert, Reader Questions and Build a Better Business reviewed by **David Gibson, OD, FAAO**, practicing optometrist in Lubbock, Texas.