

## Outpatient Facility Coding Alert

### Billing: 7 Revenue Busters That Are Destroying Your Facility's Profits

Plus, experts reveal the 9 most common reasons for claims denials.

Is your business office set up for optimal profitability and compliance?

Chances are it's not, says **Cristina Bentin, CPPM, CPCO, CCS-P, CMA**, President of Coding Compliance Management in Baton Rouge, Louisiana. As a consultant, Bentin goes into ASC business offices to help managers and staff spot and correct problems. She highlighted the biggest pitfalls she sees for attendees at the 2017 Ambulatory Surgery Center Association (ASCA) annual conference and gave attendees some tips for improving billing and collections processes.

**Revenue Buster #1: Business office staffing isn't a priority.** Many of the problems we discuss below happen because the ASC hasn't invested in its business office staff. Don't let ASC staffing be an afterthought or a place to park spillover employees from one of the related physician practices that work with your ASC. You don't want someone who has only posted cash at a physician office to be posting carrier payments at the ASC without any training, for example.

Make sure that you hire qualified, experienced staff, develop clear job descriptions, train them well, and monitor their performance with productivity benchmarks, Bentin says.

**Revenue Buster #2: Poor intra-office communications are the norm.** Many ASC business offices work from segregated departments predominantly through email and with no face-to-face meetings, Bentin notes. This lack of communication leads to the kinds of billing mistakes that cause denials.

**Revenue Buster #3: Financial functions aren't appropriately segregated.** A lack of "checks and balances" leads to mistakes and can even set the stage for employee embezzlement, Bentin warns. Make sure your ASC establishes checks and balances among:

- Coder/biller, payment poster, and collections.
- Mail clerk, payment poster, front desk collections, and staff doing deposits.
- Materials management ordering and receiving.

**Revenue Buster #4: Slow claims processing.** Bentin recently consulted with an ASC that was taking an average seven to 14 days to submit claims, and that's a problem. To solve the problem, begin by looking at when the documentation was transcribed, she suggests. If transcription happened 12 days after the procedure, for example, you need to work with surgeons, as well, to speed up claims processing. You should also maintain a transmission log to help you determine whether claims stall in the business office after transcription.

Your ASC should file all claims no later than three days after the date of service (DOS), Bentin advises.

**Revenue Buster #5: No one in the business office is working denials.** In some ASCs Bentin sees, no one is working denials to identify which claims can be appealed and to solve coding and billing problems that are causing denials in the first place. Remember, carriers are sneaky and will suddenly find new reasons to deny your ASC's claims. If you aren't routinely looking for denial patterns and sharing them with staff to fix (here's where good, frequent communication comes in again), your ASC is losing revenue.

Make sure that someone is reading denial codes on the explanations of benefits (EOBs) and remittance advice (RA), Bentin suggests. Below are the most common reasons for ASC denials according to **Gina Hobert, MBA, CHC, CPC-I, CPCMA, CEMC, CRC**, Senior Manager at Baker Newman Noyes, who spoke recently at the American Academy of Professional Coders' Healthcon:

- Unbundling
- Mutually exclusive procedures
- Duplicate services or frequency of services
- Lack of medical necessity
- Age or gender missing from documentation
- Claim has triggered a National Correct Coding (NCCI) edit or a Medically Unlikely Edit (MUE)
- Local Coverage Determination (LCD) or National Coverage Determination (NCD)
- Use of deleted codes
- Improper use of modifiers.

**Revenue Buster #6: Management of collections and A/R is subpar.** A well-managed business office should follow up on unpaid claims within previously determined timelines and work accounts receivables daily, Bentin says. Owners and managers should see A/R reports and business office staff should be able to adjust or write off A/R only if the amount falls within a predetermined limit.

**Revenue Buster #7: Insurance contracts are a mess.** How many staff in your ASC's business office can actually locate current versions of insurance contracts? Make sure a paper copy is accessible to everyone or available to everyone on a server. Make someone accountable for checking for updates and whether terms should be renegotiated or revised.

When you renegotiate your ASC's insurance contracts, make sure you involve coders and billers as well as ASC management. Why? It's often coders and billers who are most familiar with sneaky payer tactics that are costing your ASC money day in and day out.

**Tip:** Pay attention to procedures your ASC performs often that have unlisted codes and negotiate with payers to pay for those procedures. "Unlisted codes are the kiss of death for some insurance contracts," Bentin remarks, noting that coders who try to find a "comparable" code are putting the ASC at a compliance risk.