

Long-Term Care Survey Alert

SURVEY MANAGEMENT: Don't Let Billing Concerns Add Up To A Survey Disaster

These calculated strategies will keep civil monetary penalties off your ledger.

Financial disputes have been known to end marriages and friendships, so just think of what they can do to your relationships with residents and their responsible parties and families. So proactively manage billing concerns before they cost you in ways you may not have imagined.

An often-overlooked survey truth: "A lot of families' disgruntlement can start when they don't get the answers or information they need about billing issues--and it escalates from there," cautions **Theresa Lang, RN, BSN, CDONA, RAC-C, WCC**, senior health services consultant for **Specialized Medical Services** in Milwaukee. They complain to the state agency and the next thing you know, surveyors are digging into the facility's billing processes and admission agreements looking for resident rights violations.

Example: Surveyors may ask residents if anyone has submitted a demand bill or how they are billed, etc., reports Lang. "Resident rights requirements say the facility must inform beneficiaries or their responsible parties what they are charged for and what's excluded," she adds.

Revisit Your Admission Agreements

Lang believes residents' and/or their responsible parties' confusion about billing and payment stems from facility admission agreements in some cases.

The problem: A lot of facilities have not updated their admission agreements appropriately over the last number of years to reflect numerous changes, including Medicare Part D and the "freedom of choice" issue, says Lang. The latter requires a resident to agree to the "entire package of services" for which the SNF is responsible under consolidated billing, as outlined by Transmittal 183 of May 2004.

The transmittal is "old but contains very powerful language and information to that effect," relays Lang.

Tip: "Some states may specifically require that residents have freedom of choice in selecting pharmacy or physician providers," adds attorney **John Lessner** with **Ober/Kaler** in Baltimore.

Inform residents about Part D: "The admission agreement should be clear in terms of the individual's responsibility for Part D premiums and copays," if those apply, and "responsibility for medications not covered by Part A, B or D," says Lessner.

Admission agreements should also include financial addendums spelling out what Medicare covers and what the resident/responsible party is responsible for paying, advises Lang.

Don't do this: Lang has seen admission agreements that simply say the business office can provide a "comprehensive list of charges." But when the resident/family asks for the list of charges, someone in the business office says they don't know what the person is talking about, relays Lang.

Good idea: One facility's admission agreement includes explanations of what a private pay bill looks like and how the facility goes about billing Medicare and/or what happens when a person goes on Medicaid, reports attorney **Loretta**

LeBar in Louisville, KY.

Go the Extra Mile

A few additional strategies will ensure that residents and their families understand payment-related information and get the answers they need.

- **Set up a follow-up appointment after admission to answer questions.** "Family members can be inundated with information at admission ... when they are anxious," says **Susan LaBelle, MSN, RN**, senior consultant with **LTCQ Inc.** in Lexington, MA. So set up a second meeting, which you can coordinate to occur at the time of the initial care-planning meeting, to answer their questions about billing or other issues, she suggests. "If you do that early, you aren't back-pedaling and trying to justify later on."
- **Assign one person and a back-up to handle billing questions and related complaints.** Ideally that person will be an executive biller or even a high-level clinical person who has good communication and people skills, says **Joy Morrow, RN, PhD**, senior clinical consultant with **Hansen, Hunter and Co.** in Beaverton, OR. You want the person to respond to complaints or questions with empathy, saying things like "I can understand your frustration ... let's look at this together." Morrow finds that facilities sometimes make the mistake of asking a billing clerk to serve that function but the person lacks the training for dealing with disgruntled people.
- **Be aware of situations where a resident/family members' anger, grief, guilt, etc., is fueling a billing conflict.** For example, someone feeling very guilty about putting their loved one in a nursing home may displace their feelings onto complaints about billing or care, says Morrow. "The best approach is to encourage those people to vent their feelings," says Morrow. Get them to express the "real issues," if possible, she stresses, and offer them a place where they can express themselves without feeling judged.