

Chiropractic Coding & Compliance Alert

Reimbursement/Compliance: Do Not Let the Dual Fee Schedules Plague You

Let the UCR be your guiding light.

Do you want to know just how much can you charge your patient? Do the steep variations in fees DCs charge in your region baffle you? If so, read on for an insider's view on dual fee schedules, and how to wade through all of this unfazed.

What Is a Dual Fee Schedule?

"Dual fee schedule" refers to a system where the provider charges a different, most often lesser, amount for patients who are not insured and pay in cash, as compared to the amount that the provider bills for the same service for Medicare patients.

Good for you? No way! Most state laws prohibit this practice of dual fees, stipulating that you must bill everyone the same amount for a given service. You cannot and should not have two fees -- one for cash patients and another for insurance.

"I don't see this in practices commonly. A cash patient is charged what a patient with insurance is charged," says **Doreen Boivin, CPC, CCA**, with Chiro Practice, Inc., in Saco, Maine.

The Flip Side of Taking Dual Fees

You should establish a set fee for each procedure and charge that unanimously, to one and all, whether insured or uninsured. Here's why:

- 1) When you set different amounts, it's hard to keep track of the multiple charges to bill for the same service to different clients.
- 2) Having too many fee structures is not only difficult to handle, it also opens doors to suspicion of fraud and abuse. Moreover, it is Medicare abuse to charge Medicare more than what you would charge others.
- 3) The different fee structure may make the "cash" patients feel discriminated against, especially if they feel you are charging them a higher amount than usual.

Know the Discounts to Avail

Most states do permit some sort of "time of service" (TOS) discount, for prompt payment for services performed the same day. You may justify this discount by the fact that this method reduces your workload and decreases overhead and operations cost. Remember to provide this discount to all payers, insurance companies, and patients alike.

Caveat: Here again, if your discount is too huge, as viewed by your state board, that too can be troublesome. "Practices offering a TOS are usually participating with programs such as Chiro Health USA and PCD to name a few," informs Boivin.

Most payers and most states permit a "hardship discount" to your patients on an individual basis. However, you need to

set scrupulous hardship criteria, properly documented, and remember to permit this discount only to the deserving few, lest an increase in the number of beneficiaries puts the credibility of your criteria at stake.

Go By the UCR

So how do we deal with this issue? The answer lies with your payers. Most payers use an appropriate mix of fee schedules to emerge with a Usual and Customary Fees (UCR) fees that they will abide by. Your payer may be benevolent enough to share the source of the UCR. Some states go by the Worker's Compensation Fee Schedule.

"I would start with getting a copy of the fee schedules from all the payers to assist me in setting my fees," says Boivin.

Remember: Whatever method the payers adopt to calculate the UCR, understand that all insurances fees apply regionally. So, set your fees after a little research about the UCR standards of your region, also keeping in mind what the highest payers in your area are reimbursing, and what the Worker's Compensation Fee Schedule has to say about the service in question.

"Do your homework and utilize your resources," advises Boivin. "Review all the payers fee schedules and ask for guidance from the ACA, and The Coding Institute."