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On the topic:

Policies and Procedures to Grow Your Practice

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Policies and Procedures to Grow Your Practice

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When was the last time…..

• You left the office within 15 minutes of seeing your last patient…..
  – With all your work done for the day?
  – Without worrying about what you may have forgotten to do before you left?
  – Without worrying about the mound of work you have to do the next day?
Is your Practice at Risk?

- Risk of Financial Losses due to….
  - Inadequately trained staff members
  - High staff turnover
  - Unpaid patient money (co-pays, deductibles, coinsurance, underinsured, self pay)
  - Failure to obtain preauthorization for services rendered
  - Failure to give patients advance notice of non-covered services
  - Unpaid/incorrectly paid Claims that turn in to total write offs
  - Insurance Recoupments due to poor documentation
  - Patient attrition (cancels with no reschedule date)

Do you feel like…..
IS THIS YOU?

Or this?
Bottlenecks….  

- Identifying the Bottlenecks in your Practice is the first step to gaining control, and creating an atmosphere of efficiency, calm and well being.
  - Bottlenecks can be a “what” -- TODAY’S PRESENTATION
  - Bottlenecks can be a “who”
  - Bottlenecks can be a “why”

- A risk/gap analysis of your practice’s bottlenecks is vital to identifying areas of inefficiency and taking corrective action

Bottlenecks: What

- The “whats” are policies and procedures
  - Sometimes there are bottlenecks because there are NO standardized policies and procedures
  - Sometimes there are bottlenecks because there are too MANY policies and no room for the “what ifs,” so it chokes the practice
  - Sometimes there are bottlenecks because there are conflicting policies
  - Sometimes there are bottlenecks because there are procedures but no one knows what they are
Medical Compliance Mandate

- Oct 1997 – Medical Compliance Program Guidelines were published in the Federal Register. Compliance Programs were recommended but VOLUNTARY
- 1997-2010- Insurance Carriers, some Medicaid programs required attestation of Compliance Programs as a condition of enrollment
- 2010 – Passage of PPACA (ObamaCare) made Compliance Programs MANDATORY
- CURRENTLY: There is still no enforcement date for Compliance Programs by the Secretary of the Dept of HHS. However, compliance programs have been shown to increase profitability and decrease practice risk of financial losses.

Benefits of a Compliance Plan

- Regular monitoring decreases chances of violations
- Administrators and managers are more aware of practice operations
- Allows for flexibility to make needed changes.
- Identifies weak areas
- Speeds up and provides proper payment of claims
- Reduces chance of audit
- Helps to avoid conflicts with self-referral and anti-kickback statutes
- Prevents erroneous/fraudulent claims
- Shows good faith effort of the practice
- Can be considered preventative medicine for the practice
- Employees will understand they must conduct themselves responsibly and legally
Seven Elements of Compliance

- Standards and Procedures
- Oversight
- Education and Training
- Monitoring and Auditing
- Reporting and Investigation
- Discipline and Enforcement
- Response and Prevention

TODAY’S PRESENTATION WILL FOCUS ON THESE TWO ELEMENTS OF AN EFFECTIVE COMPLIANCE PROGRAM

How to Start

- The manual should be consistent with State and Federal law.
- The manual should cover
  - General Compliance Policies
  - Billing and collection policies
  - Managed care contracting policies and guidelines
  - Office operations policies
  - Personnel policies.
  - Laboratory/ancillary services (radiology, ultrasound, etc)
  - HIPAA Policies
  - OSHA Policies
  - Business ethics, antitrust, kickbacks,
- You may already have some of these components. Assemble what you have and look for the holes.
General Compliance Policies

• Name and contact info of compliance officer
• Instructions for reporting compliance violations
  – Email
  – Anonymous suggestion box
  – Toll Free Hotline
  – OIG web address and phone number
• Open door policy
• Non-Retaliation Policy
Billing and Collection Policies

- Documentation policies and guidelines
- Claims submission policies
  - How Often are claims submitted?
  - What is the vetting process prior to claims submission?
  - Who is responsible (cross reference this back to the personnel policies)
- Claims follow up policies
  - Analysis and Management of Claims Rejections
  - Procedure for claims that are improperly processed/paid
  - Timelines and guidance
  - Who is responsible
- Front desk collection policies
  - Policy for collection of copays, deductibles, coinsurance, self pay
- AR/Revenue Cycle Management policies
  - Policy for Monthly AR Review
  - Policy for sending patient statements, statement cycle
- Bad Debt/Collections policies
  - Attempt to collect policy
  - Sending patients to collections
  - Writing off Bad-Debt

Compliance Concerns: Coding and Billing

- Compliance experts agree that the biggest risk area is coding and billing for Medicare, Medicaid, and insurance reimbursements.
- The OIG’s model compliance plan talks about auditing your billing systems.
- A random baseline audit should follow a claim from services rendered.
- It may be necessary to bring in outside assistance to assist in an unbiased audit.
Areas to Address

- Software & Updates
- Qualifications of Billing/Coding Staff
- Falsification of Billing
- Denials and Appeals Process
- Patient Dispute Resolution
- Physician Extender Billing
- Overpayment & Refunds
- Double/Balance Billing
- Ancillary Services
- Upcoding/Downcoding/Unbundling
- Modifier Use
- Review services targeted by the OIG in its Annual Work Plan

Compliance Concerns: Documentation & Medical Records

**Documentation:**
- Should be **Timely, Accurate, and Complete**
- Verifies that billing is accurate

**Medical Records – complete and legible – should include:**
- Physical exam finding
- Prior diagnostic tests results
- Assessment-clinical impression/diagnosis
- Treatment plan
- Legible identity of observer/provider
- Documentation or rational for diagnostic or other ancillary services
- Claims (CPT/ICD-10) supported by documentation
- Risk factors, progress, and response to treatment, or change/revision to treatment or diagnosis
Compliance Concerns: Collections

- Collections policy should include:
  - Mentioning the fees/co-pays required during the visit when scheduling the patient’s appointment
  - Displaying signs about co-pays clearly at the front desk
  - Employees consistently asking for co-pays
  - Cashiers saying “thank you” when the patient makes a payment
  - Generation of automated receipts
  - Insurance verification
  - Insurance processing and claims follow-up
  - Bad debt collections
  - Federal Fair Credit Act
  - Discounts and courtesies

Compliance Concerns: Discounts and Courtesies

- Professional courtesy – taking care of colleagues or their families without charge or at a reduced rate – is a tradition that dates back to Hippocrates.
- The most common ways physicians reduce the cost of care for patients are waiving the co-pay (“insurance only”) and giving the patient a discount on the care to facilitate patient access to necessary medical care.
- A discount billed to an insurance carrier can actually hurt the physician profile.
Compliance Concerns: Refunds of Overpayment

- Once a determination of overpayment has been made, the amount of overpayment becomes a debt owed to the Federal government.
- The Department of Health and Human Services has established guidelines for refunds with timeframes:
  1. Overpayment of $5,000 or less to be refunded within sixty days.
  2. Between $5,000 AND $25,000 in ninety days.
  3. Between $25,000 and $100,000 in 120 days.
  4. Above $100,000 is to be refunded within 180 days.

Compliance Concerns: Medicare and Returning of Self-identified Overpayment

- CMS published a final rule that requires Medicare Parts A and B health care providers and suppliers to report and return overpayments by the later of the date that is 60 days after the date an overpayment was identified.
- The requirements in this rule are meant to support compliance with applicable statuses, promote the furnishing of high quality care, and to protect the Medicare Trust Funds against improper payments.
Managed Care Contracts

- List of all Managed Care contracts in which you participate
- Copies of all signed contracts
- Copies of all negotiated fee schedules
- For Each contract:
  - When is revalidation required?
  - Any special rules?
    - All services by your specialty must be by referral
    - May not collect deductibles/coinsurance until insurance claims processed
- Who is responsible for maintaining and negotiating contracts?
Office Operations Policy
Examples

• Office Hours
• Requirements for Personnel coverage during clinic hours
• Scheduling and Rescheduling Patients
  – Policy for when certain patients/types of patients should be scheduled
  – Policy for handling emergency patients same day
  – Policy for handling patients who show up early, or late, or not at all
  – Policy for rescheduling patients
    • When the doctor is called away to the hospital
    • When doctor calls in sick
    • Emergency situations (bad weather, etc)
• Triage system
• Opening and Closing Checklists
• Records Retention Schedule, and storage of paper records
• Policy for submitting orders, transfer of care, prescriptions, etc.

Policy and Procedure - Section 1557 of the Patient Protection and Affordable Care Act

• Covered entities with 15 or more employees are required to post information telling consumers about their rights and telling consumers with disabilities and consumers with limited English proficiency (LEP) about the right to receive communication assistance.

• They are also required to post taglines in the top 15 languages spoken by individuals with LEP in the states which the covered entity operates, advising consumers of the availability of free language assistance services.
Compliance Concerns: Patient Scheduling

- Front office staff is responsible for scheduling appointments and obtaining patient demographic information.
- From scheduling the appointment to leaving the appointment, only the patient knows the entire process went smoothly.
- Providing high quality care and excellent customer service will prevent loss of revenue for the medical office due to a high level of patient satisfaction.

Compliance Concerns: Missed Appointments

- When a patient misses, or fails to schedule a follow-up or specialist appointment, they are not receiving the care recommended by their doctor.
- With a no-show, the provider is left with an empty appointment slot, which can be fiscally damaging in a predominantly fee-for-service payment system.
  - One no-show a week is equal to thousands of dollars of lost revenue annually, not to mention the resulting unpaid time in follow-up (i.e., contacting the client, re-scheduling, collecting a cancellation fee, etc.)
Compliance Concerns: Missed Appointments

- When establishing a missed appointment policy:
  - Stick to policy once it’s established.
  - Clearly communicate the policy to your patients.
  - Handle each missed appointment promptly by dealing directly with the patient.
  - Keep track of missed appointments.

Compliance Concerns: Patient Registration

The key to proficient revenue cycle management is to get all of the necessary information up front. Not gathering this information correctly at the beginning will cause delays in financial reimbursement. This is expensive, costly, and reflects poor time and organizational management. Gathering information falls into the following categories:

- Pre-registration
- New Patient Forms
- Registration Accuracy
- Insurance Verification
- Coordination of Benefits
- Identity Theft
- Referrals, Authorizations, or Pre-Certifications
- Assignment of Benefits
- Advanced Beneficiary Notices (ABNs)
- Patient Satisfaction
- Front Office Training
Personnel Policies Examples

- List of all employees, whether full time/part time
- Job descriptions for each position
- Training requirements and training schedules
- Educational requirements and copies of applicable licenses, certifications, etc
- Monthly confirmation of Medicare exclusion (new element of compliance)
- Work hour requirements – overtime pay policy
- Employee absenteeism policy and coverage of absent employee
- Policy to address tardiness, excessive absences
- Policy to address workplace ethics (dress code, how to address physicians, profession conduct expectations, personal hygiene)
- Policy to address vacation/PTO requests
- Policy to address employee performance standards
- Policy to address handling of contract workers/business associates

Workplace Violence

Workplace violence is any act or threat of physical violence, harassment, intimidation, or other threatening disruptive behavior that occurs at the work site.

In most workplaces where risk factors can be identified, the risk of assault can be prevented or minimized if employers take appropriate precautions.
Following an Incident of Workplace Violence

1. Encourage employees to report and log all incidents and threats of workplace violence.
2. Provide prompt medical evaluation and treatment after the incident.
3. Report violent incidents to the local police promptly.
4. Inform victims of their legal right to prosecute perpetrators.
Policy: Personnel Work Schedule

Purpose:
Appropriate staffing will be available to ensure quality, comprehensive healthcare services are provided in a safe and timely manner utilizing available resources.

Policy:
The Office Manager will submit a monthly schedule of the working or coverage hours assigned to personnel including, providers, ancillary medical staffing, and other operational personnel. The Compliance Officer will review staffing requirements to ensure adherence to applicable healthcare laws, standards, regulations, and guidelines.

Procedure:
1. The Office Manager will submit a Work Schedule for the upcoming thirty-day period to the Compliance Officer prior to the first day of each month.
2. The Work Schedule will identify the work schedules of providers, ancillary medical staff, and other operational personnel.
3. The Office Manager will provide the Compliance Officer with revised work schedules when scheduling changes occur.
Lab and Ancillary Services Policy

- **LAB**
  - List of lab services provided in-house
  - List of Personnel authorized to draw or obtain lab specimens
  - Copy of CLIA Certificate
  - Equipment list, and scheduled maintenance protocols
  - Hazardous material handling and disposal policy (cross reference in OSHA Policy section)

- **RADIOLOGY**
  - List of personnel authorized to take and read x-rays
  - Copy of radiology certificates and monthly radiation exposure test results
  - Equipment list, and scheduled maintenance protocols
  - Hazardous material handling and disposal policy (cross reference in OSHA Policy section)
Other Sections of P&P Manual

- HIPAA Policies
- OSHA Policies
- Business ethics, antitrust, kickbacks

These sections, while not directly responsible for clinic growth, will protect the clinic from the risk of lawsuit / malpractice (initiated by a disgruntled/injured employee, patient, vendor, insurance carrier), and will mitigate areas of procedure that could leave the practice, or owners, corporate officers and employees open to civil and/or criminal investigations.

Questions?

- Thank you for your attendance!

- Get your questions answered on PMI's Discussion Forum: http://www.pmimd.com/pmiForums/rules.asp