

Attain Compliant Revenue Cycle Management

Focus on providers' reports, coding, billing and patient confidentiality **BY CARYL SERBIN**



Obtaining the full reimbursement you deserve while remaining compliant with federal, state and managed care regulations is imperative to keeping your doors open and achieving year-over-year growth. Several areas in your revenue cycle that affect compensation also are potential areas for noncompliance.

Compliance in Providers' Reports

The first step in the post-procedure revenue cycle is the providers' procedure reports. Accuracy, detail and timeliness all are essential if your ASC is going to optimize the coding of the procedures performed. Without these reports and those elements, the only option for obtaining reimbursement is "assumption" coding or the coding of a diagnosis or procedure without supporting clinical documentation. This practice, however, does not adhere to federal and state regulations. Therefore, it is important that all necessary documentation (e.g., operative report, pathology report, applicable invoices for implants and/or supplies) be available to the coder in a timely manner.

Compliance in Coding

To collect the full amount your ASC has earned requires you to optimize the coding of the procedures delineated in the operative report. In this era of payment based on diagnostic and procedural coding, however, the professional ethics of health information coding professionals continue to be challenged. Following standards of ethical coding, developed by the American Health Information Management Association's (AHIMA) Coding Policy and Strategy Committee,

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ASCA will host its 2018 Winter Seminars January 11–13 in Las Vegas, Nevada. Learn how to prepare for the coding and billing changes in 2018 at the Coding & Reimbursement Seminar. For more information, go to <http://www.ascassociation.org/2018coding/home>.

and approved by the AHIMA board of directors, should be the primary goal for all medical coders and is a large part of the education required in a coder's certification process. The coding process offers several possible compliance pitfalls. Five that ASCs should be aware of are:

1. Coding without proper documentation of services/implants/supplies deemed medically necessary and ordered by the licensed provider.
2. Alteration of documentation or addition of undocumented codes (upcoding) to improve reimbursement.
3. Unbundling of codes. The National Correct Coding Initiative Policy Manual for Medicare Services defines unbundling as billing multiple procedure codes for a group of procedures that are covered by a single comprehensive code.
4. Failure to properly use modifiers (e.g., falsely appending modifiers to indicate a bilateral or an especially difficult procedure to obtain additional reimbursement).
5. Improper diagnosis codes to support either procedures that were not performed or to indicate complexity that is not present.

A certified, experienced coder recognizes and avoids noncompliance. Whether billing in-house or outsourcing, utilizing a fully credentialed, certified coder with ASC experience is your best option for managing your revenue cycle compliantly.

Compliance in Billing and Collecting

It is essential that all members of your revenue cycle team are experienced and well-educated in compliant billing and collections. These skills and knowledge are vital to obtaining earned revenue while remaining compliant.

Areas that should be monitored for noncompliance include:

- duplicate billing intended to produce duplicate payment;
- billing for additional, non-provided procedures to gain extra reimbursement;
- inappropriate balance billing to the patient if billing for the full amount that the payer did not pay (not adjusting fees for contracted allowances) and/or billing for a balance that is covered by a secondary payer such as Medicaid;
- routine waiver of cost-sharing amounts such as copayments and deductibles. Federal and state regulations prohibit waiving cost-sharing amounts unless genuine financial hardship has been documented;
- improper discounts and professional courtesy. The Stark law and anti-kick-back legislation may view these discounts as an improper inducement to providers for referrals to your ASC;
- inadequate resolution of overpayments. To maintain compliance with federal and state regulations and avoid any possible penalties, audit your credit balances at least monthly

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- and refund overpayments promptly (per regulatory requirements); and
- knowing misuse of provider identification numbers, which results in improper payment, and falsely using a patient's identification number to bill procedures that were not provided.

Patient Confidentiality

Although not directly related to reimbursement, another important area that needs to be constantly monitored for compliance is the maintenance of confidentiality of patient information and records. Staff members need to be aware of the proper handling of protected information, including telephone, email and written and in-person conversations that might be intercepted or overheard by another party. When claims are submitted or in correspondence with payers via the Internet, the center or the outsourced billing company must have secure connectivity in compliance with the *Health Insurance Portability and Accountability Act of 1996 (HIPAA)*.

Importance of Compliance Program and Employee Education

Whether your ASC is relying on internal or outsourced revenue cycle management, it is vital that you or your billing company have a written revenue cycle compliance program in place. It should be enforced and updated regularly to remain current with federal and state regulations and third-party payer contract guidelines.

Fundamentally, revenue cycle compliance programs are designed to promote, prevent, detect and resolve occurrences that do not conform to federal and state law; federal, state and private payer health care program requirements; and your center's business office policies. Specifically, your compliance program should provide guidelines to both your ASC's management team and business office staff that support efficient and compliant management of your ASC's revenue



cycle. It also should serve as an internal control in reimbursement and payment areas, especially where claims and billing operations can be the source of fraud and abuse.

The most practical way of ensuring that your business office staff or outsourced billing team understand and remain compliant with regulatory requirements is a properly established education program. This should include compliance in-services for revenue cycle staff members at the time of hire and annually thereafter or when there are changes/updates to regulations. It also is incumbent upon management to provide billing staff with up-to-date revenue cycle reference books and/or computer programs in the ongoing pursuit of compliant reimbursement.

Benefits of Compliant Revenue Cycle Management

It is your ASC's responsibility to provide ethical leadership and ensure that adequate systems are in place to pro-

mote and facilitate the ethical and legal management of your revenue cycle process. Whether your coding, billing and collections are performed by in-house business office staff or outsourced to a revenue cycle management company, your ASC's management staff and, ultimately, your ASC's governing body are responsible for the center's compliance with federal and state regulations. Noncompliance can expose your center to civil damages and penalties, criminal sanctions and administrative remedies, such as Medicare/Medicaid program exclusion.

Every center's goal is to be financially successful while maintaining a good moral reputation with patients, the community and federal, state and third-party payer organizations. Integrity and compliance are the stepping stones to achieving these goals. «

Caryl Serbin is the president and founder of Serbin Medical Billing in Fort Myers, Florida. Write her at caryl@serbinmedicalbilling.com.