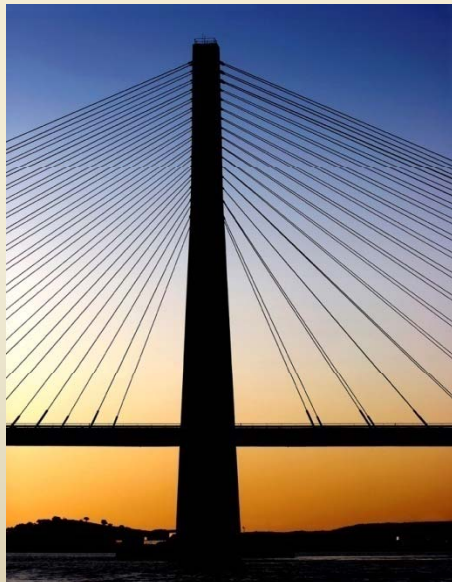




**PRESENTS:**

# FIVE TYPES OF CARRIER MISTAKES THAT WILL STOP YOUR CLAIMS COLD



**October 1, 2008**

**Belinda Holmes, BS, CPC, CCP-P**



# FIVE TYPES OF CARRIER MISTAKES THAT WILL STOP YOUR CLAIMS COLD

- Claims Mishaps
- Contract Errors
- Overpayment Oversights
- Appeals Mistakes
- Legal Conflicts



# FIVE CARRIER MISTAKES

- Claims Mishaps



# Claims Mishaps



## Medicare Denials for HICN or Name Mismatch

- Medicare will deny claims for any differences in name (including middle initials, Jr/Sr and punctuation) or identification number

# Claims Mishaps

- Review/copy the patient's ID card at each visit and confirm that name and number are submitted exactly as shown on card.



# Claims Mishaps

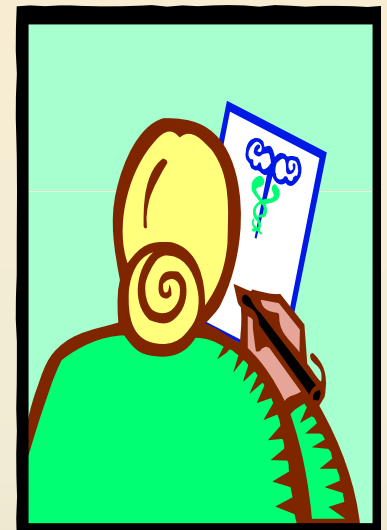
- Resubmitting claims to correct minor clerical errors or omissions is the most efficient method for addressing certain denied services
- Send Electronically



# Claims Mishaps

## Medicare Replacement Plans

- Takes at least 6-8 weeks for Medicare to update records when patient returns to traditional Medicare coverage.



# Claims Mishaps

## Medicare Replacement Plans

- Call Medicare bi-weekly to determine patient's enrollment status. Hold claims and submit after Medicare has updated records to reflect traditional coverage.

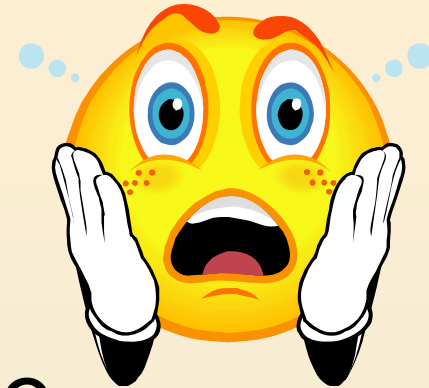


# FIVE CARRIER MISTAKES

- Contract Errors



# Contract Errors



- Rate errors are one of the most common payor errors
- Providers may be contracted individually or as a group
- Rates may differ depending on contract type

# Contract Errors

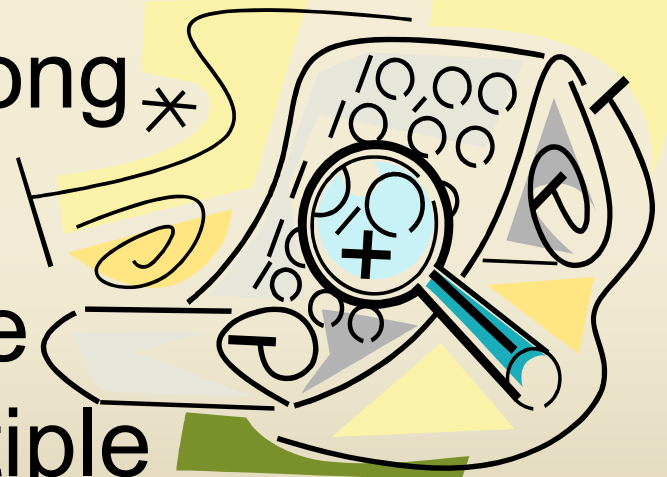
## How To Tell if You Are Paid Correctly:

- Pull out copies of your practice's top 5 private payor contracts.
- If you cannot locate these – contact the contract department at the payor and request a copy along with a fee schedule



# Contract Errors

- Start a spreadsheet with your top codes down one side and 2 columns for each of your top 5 payors along the top
- Some payors may have multiple plans and multiple fee schedules



# Contract Errors



- For each payor enter the contractual (fee schedule) amount in the first column
- Enter the amount received in the second column



# Contract Errors

CONTRACT ANALYSIS									
			MC	Payor 1		Payor 2		Payor 3	
CODE	DESCRIPTION	Medicare	FAC PAR	Contract	Actual	Contract	Actual	Contract	Actual
11100	Biopsy, sk	79.10	75.14	94.22	94.22	88.30	83.76	71.19	71.19
20610	Drain/injec	66.88	63.54	75.93	69.54	74.66	74.66	60.20	60.20
90772	Ther/proph	18.57	17.64	19.73	19.73	20.73	20.73	16.72	16.72
93000	Electrocard	23.78	22.59	28.60	25.79	26.54	24.86	21.40	19.86
94640	Airway inh	12.30	11.69	12.77	12.77	13.73	13.73	11.07	11.07
99203	Office/outp	90.21	85.70	104.87	104.87	100.69	100.69	76.68	76.68
99204	Office/outp	137.35	130.48	148.47	138.74	153.31	153.31	116.74	116.74
99213	Office/outp	58.06	55.16	56.51	55.56	64.81	64.81	49.35	49.35
99214	Office/outp	88.12	83.71	88.82	88.82	98.37	98.37	74.91	74.91
99395	Prev visit, c	87.62	83.24	104.75	99.78	97.81	94.38	96.96	96.96
% Correct					50.00%		70.00%		90.00%

# Contract Errors



- Check payments received to contract rates to verify that your practice is being paid appropriately
- Appeal any payment errors
- Note any error patterns
- Consider loading fee schedules

# FIVE CARRIER MISTAKES

- Overpayment Oversights



# Overpayment Oversights

## Overpayment:

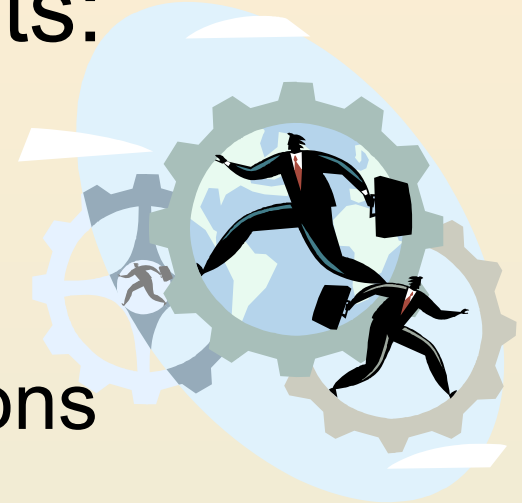
- Payors ask for monies back based on an audit of claims



# Overpayment Oversights

Entities conducting CMS audits:

1. Carrier or Intermediary
2. Program Safeguards Contractor (PSC).
3. Quality Improvement Organizations (QIO)
4. Comprehensive Error Rate Testing (CERT) program
5. Office of the Inspector General (OIG)
6. Recovery Audit Contractor (RAC)



# Overpayment Oversights

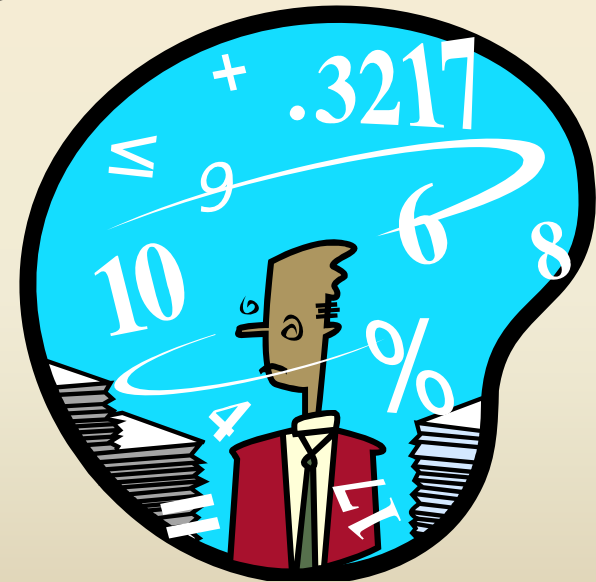
- **May be pre-payment, post-payment, or part of a targeted review**
- **Targeted reviews can include: by specialty, by service or specific to your office**



# Overpayment Oversights

**Audits specific to your office  
can be triggered by:**

- Utilization
- Patient complaint
- Whistleblower





# Overpayment Oversights

- **CHECK THE DATES!!**
- **Appeal if the payor used a policy that was not yet in effect during the dates of service audited**



# Overpayment Oversights

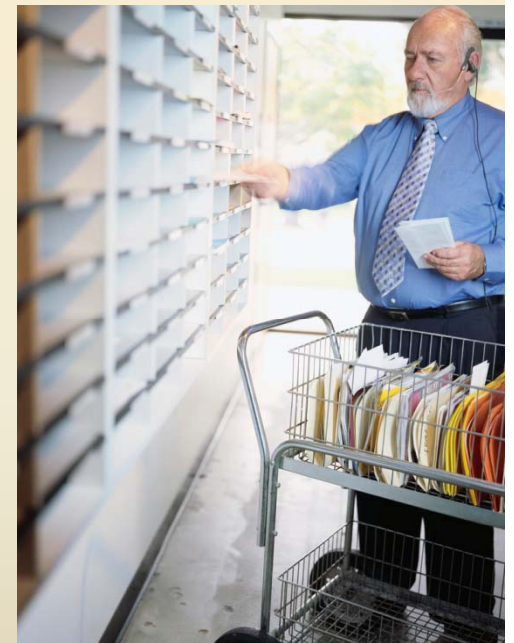
- **Keep track of refunds made and payments returned by each patient**
- **Possible to pay back same monies more than once**



# Overpayment Oversights

Effective September 29, 2008

- When a valid first or second level appeal is received from a provider on an overpayment, CMS may not recoup the overpayment until the decision on the redetermination and/or reconsideration has been rendered.

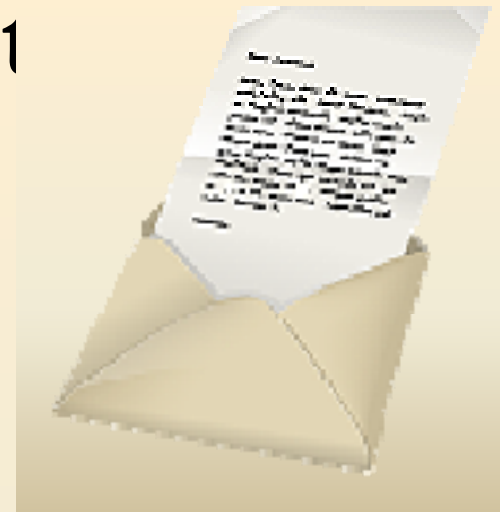


# Overpayment Oversight

Effective September 29, 2008

- **The rebuttal process-**

You are given an opportunity to rebut any proposed recoupment action by submitting a statement within 15 days of the notice of an impending recoupment action.



# FIVE CARRIER MISTAKES

- Appeals Mistakes



# Appeals Mistakes

## Medicare Appeals Process

- Redetermination
- Reconsideration
- Administrative Law Judge (ALJ) Hearing
- Departmental Appeals Board (DAB) Review
- Federal Court Review



# Appeals Mistakes

## **Biggest Mistake is Not Appealing**



# Appeals Mistakes

CMS RAC Evaluation  
September 2008:

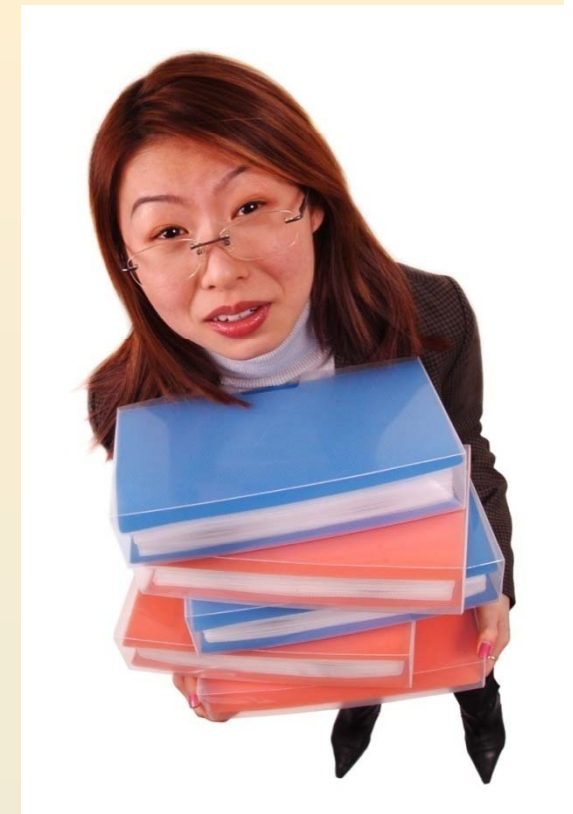
- RACs succeeded in correcting more than \$1.03 billion of Medicare improper payments (currently only 3 states)
- 96% Overpayments
- 4% Underpayments



# Appeals Mistakes

CMS RAC Evaluation  
September 2008:

- **Through 6/30/08,  
Part B Providers  
chose to appeal only  
25.4% of claims**



# Appeals Mistakes

CMS RAC Evaluation  
September 2008:

- **Of those appeals, 39.6% were overturned**
- **One RAC contractor overturned 64.7% of appealed Part B claims**



# Appeals Mistakes

CMS RAC Evaluation  
September 2008:

- Over 1600 claims representing over \$12 million are still pending at the ALJ level



# Appeals Mistakes

- Process for appealing RAC denials is the same as that for appealing carrier denials



# Appeals Mistakes

## Reasons to Appeal:

- Documentation *Guidelines*
- Medical Necessity
- Conflicting guidance in Medicare Manuals
- Policies different than CMS guidelines



# FIVE CARRIER MISTAKES

- Legal Conflicts



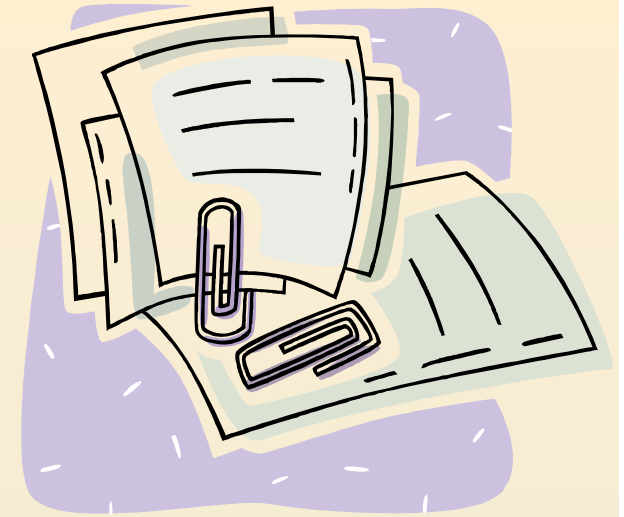
# Legal Conflicts

## Review Your Contracts

- Take notes and highlight as you go
- Note restrictions or any wording that could cause a financial hardship to your practice.



# Legal Conflicts



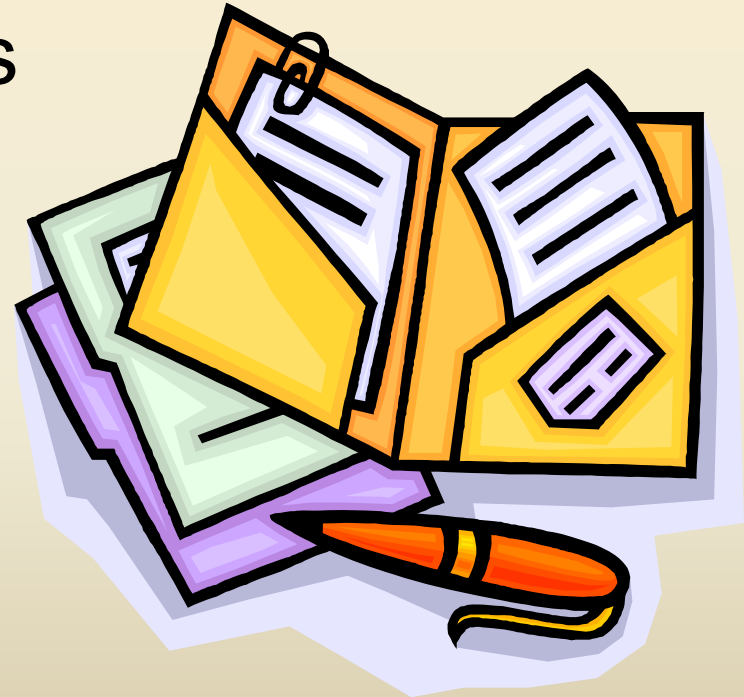
## Items to Note:

- Rates on Various Services
- Any Exceptions or Carve Outs
- Malpractice Liability coverage limits
- Treatment of Physician Extenders
- Charging Patients

# Legal Conflicts

## Items to Note:

- Policies attached to the contract
- Referral Restrictions
- Timely Filing Limits
- Refund Policy
- Term Length
- Interest Payments



# Legal Conflicts

Compare the provisions to your  
State Law



# FIVE TYPES OF CARRIER MISTAKES THAT WILL STOP YOUR CLAIMS COLD



# Thank You For Attending



*For Further Assistance Contact:*

**BELINDA HOLMES, BS, CPC,  
CCP-P**

**HEALTHCARE ADVISORY SERVICES**

(941) 365-4617

(800) 966-8676

[bholmes@kbgrp.com](mailto:bholmes@kbgrp.com)

