



# MEDICAL MANAGER

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### Why Code Correctly?

- Patients are paying premiums and they want their insurance companies charged appropriately.
- Proper coding helps avoid fraud and abuse claims.
- Correct claims will mean less work for the insurance company and will ensure more timely payments for your office.
- It is more efficient to send one claim and receive a check than to send multiple claims and receive return forms.
- It will save you money and increase your cash flow—a win-win situation for the patient, the insurance company, and you as a physician.

## THE KEY TO SUCCESS

Greetings from MD Alliance Billing, LLC! We hope this issue finds you and your practice doing well. However, if you find your practice struggling during these difficult economic times, we want you to know that MD Alliance Billing, LLC wants to be your partner in success. We know one of the most important keys to a successful medical practice is efficient and effective billing and coding practices. Correct and timely billing with the appropriate codes is essential to ensure prompt filing and payment on your claims.

There are several issues that need to be addressed when assessing your billing and coding procedures. They include:

- Timely filing of claims
- Correct coding with current CPT and ICD-9-CM codes

- Up to date fee schedules
- Careful auditing of claims to avoid common errors
- Knowledge of any changes in Medicare coding procedures

These areas of concern will all be addressed in this issue of *Medical Manager*.

Every physician's office and specialty will be unique in its billing and coding needs. If your office requires individual assistance in billing and processing claims and auditing and assessing your financial situation, MD Alliance Billing, LLC offers comprehensive practice management services. We can help you analyze the effectiveness of your current office procedures and



implement more efficient processes for the future. Additionally, our office can provide billing and coding services to ease the burden on your office staff and ensure your claims are filed correctly in a timely manner, increasing your revenue and enabling you to focus on what you do best, caring for your patients.

We care about your success!  
Cloe Sill  
President

## A BRIEF GLOSSARY OF TERMS

- CPT—Current Procedural Code
- ICD-9-CM – International Classification of Diseases, Ninth Revision, Clinical Modification
- CMS—Center for Medicare and Medicaid Services
- CCI—Correct Coding Initiative
- HCPCS—Healthcare Common Procedure Coding System



*“Outdated codes and fee schedules can result in lower payments and/or claim denials.”*

## KNOW THE CODE

It was recently estimated that some 30% of Medicare claims are submitted with outdated or incorrect codes, and many experts estimate that the figure is higher for private insurance companies. Is your office using the most current CPT and ICD-9-CM code books? The 2009 books are currently available and can be purchased through several different publishers. Make sure that whatever code book you are using combines the most current materials available from the Center



for Medicare and Medicaid Services (CMS), the Correct Coding Initiative (CCI), the American Medical Association, and CMS current fee schedules. Outdated codes and fee schedules can result in lower payments and/or claim denial. Or worse—improper coding could result in claims of insurance fraud or

abuse. In addition, submitting general codes instead of more specific codes for diagnosis and procedures can effect claim acceptance and payment. Have you taken the time to make sure your staff is using the most up to date and specific codes for your diagnosis and procedures? Don't be satisfied with only a 70% acceptance rate. Contact our office to learn about updating your coding and how we can help you in the process.

*“One of the most important elements in billing is timely processing.”*

## BILLING TIMETABLE

One of the most important elements in billing is timely processing. Claims should be processed daily. Insurance companies will often request additional information once the claim is submitted. A delay in processing the origi-



nal claim can result in a delay in receiving payment into your office. The Clean Claim Law in Texas requires insurance companies to pay on clean claims within 45 days, so the quicker

and cleaner the claims you are submitting, the faster you will be paid. We encourage you to contact MD Alliance Billing, LLC for your billing needs to ensure you have someone focused on timely and precise billing and claims processing.

## HOW MUCH DO I CHARGE?

Believe it or not, many doctors offices are still charging patients the same amount for services that they were charging 3, 5, even 10 years ago! Certainly the costs for the physician have changed, and many offices are losing money due to undercharging. Typically doctors should increase their fees yearly by 3%–6%. However, it is also important to know



that insurance companies base their rates on what the average charges are for your procedures in your zip code area. MD Alliance Billing, LLC has an up-to-date fee analyzer program that we can use to assist you in determining if you are undercharging for your specialty and geographical location. Contact our office to find out more.

## AUDITING CLAIMS



The task of auditing your claims may seem rather daunting, but it is important for several reasons. The following are areas we cover when auditing your charts and claims:

- We will make sure your office is compliant with the law and is

following ethical billing and coding procedures.

- We will determine how efficient your billing is and how quickly claims are processed, submitted, and paid.
- We will analyze which insurance companies pay slowly or are habitually not paying at all and help you renegotiate or drop your contract.

When auditing claims using a sample set, it is important to consider the following areas:

- Services rendered
- Procedure and diagnosis

- Doctors notes and other notes on the patient's chart, especially when a "check off" type sheet is used

Consider issues like appropriate bundling of multiple services, correct diagnosis coding, timetable of insurance response, etc. It is critical to determine whether any mistakes found were accidental or intentional, where the mistake originated, and how it can be remedied. MD Alliance Billing, LLC provides practice management services that include a comprehensive audit of your billing procedures.

*"The task of auditing your claims may seem rather daunting, but it is important."*

## COMMON ERRORS

Don't drop the ball! Make sure you avoid making these common billing errors:

- Wrong patient ID number or SSN
- Wrong date or location of service
- Duplicate claim
- TPI, NPI, or EIN number entered wrong

- ICD-9-CM codes and CPT codes that do not match
- Amounts totaled incorrectly
- Billing for a service that was not medically necessary
- Billing for canceled services or tests



*"Avoid common billing and coding errors."*

## UPDATES IN CODING



- The American Recovery and Reinvestment Act of 2009 will require 90% of physicians to adopt

Electronic Medical Records within the next 10 years. This will drastically change how billing and coding is processed, so make sure you know the latest developments. Let us help you prepare now for the transition.

- The new ICD-10 code set will go into effect on October 1, 2013. For more information and guidance on transitioning from ICD-9

-CM, contact our office .

- Visit the MD Alliance Billing, LLC blog at [www.mdalliancebilling.wordpress.com](http://www.mdalliancebilling.wordpress.com) for frequent updates on billing and coding, as well as other news and developments in healthcare and practice management.

### Medical Manager Minute

In case you've been under a rock the last few months, there has been a lot of discussion about the changes coming for the future of the American healthcare system. The government wants you to stay informed and involved, so they have created a new website, [www.healthreform.gov](http://www.healthreform.gov), that will allow Americans to view the White House Health Forum and share their thoughts about healthcare reform with the Obama Administration. Check out this site and make sure your voice is heard!

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## BILLING AND CODING TIPS

- Make sure you are using the latest and most appropriate CPT and ICD-9-CM codes for your procedures.
- Process claims daily and make sure all claims are sent out clean.
- Utilize our Fee Analyzer services to determine whether or not you are undercharging for your specialty and geographical area.
- Perform a comprehensive audit on your claims to realistically evaluate your billing procedures.
- Avoid common billing errors that cause claims to be delayed or denied.
- Get informed and involved with current



- changes in the health-care system by visiting our blog.
- Overwhelmed? Don't panic! Contact our office and we can discuss your practice's unique situation and needs. Through

our medical billing and practice management consulting we can analyze all of your office procedures to determine your efficiency and effectiveness. We can provide an audit of your claims, analyze your fee schedule with our up to date software, and implement a plan to improve your billing process and increase your revenue. We also offer precertification and scheduling services, as well as bookkeeping and tax assistance through Cloe Sill Bookkeeping and Tax Services, which has 16 years experience in the area. Call us today!