

Billing

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Once an LPHA has completed the applicable enrollment processes and is considered a participating provider (i.e., received the welcome letter), they can begin billing private / commercial insurance carriers, Medicare and Medicaid for immunizations.

The billing process can be challenging; however, it is worth the time and effort and will help create sustainability within an agency. This section of the toolkit is intended to aid LPHAs in understanding the billing process.

Billing Preparation¹¹

In order to prepare for billing, an LPHA must consider the process of efficient patient care while obtaining all the information necessary to bill the insurance company. LPHAs should keep privacy laws in mind throughout the billing process, as these laws must be followed at all times.

Agency Logistics¹¹

One of the first considerations when it comes to billing is the location where staff will perform billing tasks. If possible, the reception desk should be in an isolated area in which staff can check clients in prior to an appointment and check them out once services have been provided. Reception staff will need this area to discuss patient demographics, collect insurance information and request a co-payment. It is also important for the receptionist to have privacy when making client calls along with easy access to a photocopier or equipment capable of scanning insurance cards.

Although most LPHA staff members are required to multi-task, it may be difficult for the receptionist to also serve as the billing specialist. In order to have an effective billing process, the billing specialist must be able to concentrate on the task without constant interruption. Because of this and the necessity of patient confidentiality, the billing operations should take place in an area that is isolated from the public. The billing operations should take place in an area that has a door or files that can be locked to ensure confidentiality.

The primary concern in public and private spaces within an LPHA office is HIPAA and patient confidentiality. Maintaining privacy in the reception area may be a challenge for many LPHAs; however, client personal health information must be kept confidential at all times.

Another logistical challenge for LPHAs may be mobile clinics or off-site locations. Confidentiality must be maintained when collecting patient demographics, insurance information and payments at mobile clinics and off-site locations. LPHA staff must be organized and have a good patient processing system in place. A portable scanner or photocopier may aid the LPHA with streamlining patient processing at mobile clinics and off-site locations.

Although the billing process can be challenging, it is worth the effort to improve the LPHA's sustainability.

Computer Equipment¹¹

Electronic billing is the most frequently used form of medical billing today. Paper billing is becoming a thing of the past, with the exception of Medicare's roster billing for mass immunizers, which is commonly used for seasonal influenza clinics.

In order to participate in electronic medical billing, an LPHA must have a personal computer. It is recommended that the personal computer be relatively new (less than three years old). An Internet connection is also required for electronic billing in order to access various billing models and insurance company web sites.

Staffing¹¹

Staffing is another important aspect of medical billing. Qualified employees are crucial to implementing and sustaining the billing process. In many cases, existing staff will be required to perform the billing

Fast Fact

Billing tasks fall into three categories: reception / intake specialist; credentialing specialist; and billing specialist. Utilizing employees who have performed these tasks will simplify the billing process.

tasks within the agency. It is imperative that the staff member(s) chosen to take on these responsibilities possess the skills necessary to accomplish each task involved in the process. These tasks fall into three categories including: reception / intake specialist; credentialing specialist; and billing specialist.

In some instances, all three tasks will need to be performed by the same staff person. In other situations, the credentialing specialist and billing specialist tasks may be combined and assigned to one employee and the receptionist / intake specialist tasks assigned to another employee. If it is possible, utilizing employees who have already performed these tasks will greatly simplify the billing process.

Receptionist / Intake Specialist¹¹

The receptionist / intake specialist is typically the staff person who greets clients when they first arrive at the LPHA. There are specific billing tasks that the receptionist / intake specialist will need to perform, which may include:

- Collecting and organizing patient information into a usable format;
- Working with a variety of insurance and billing forms;
- Collecting insurance and other data from clients;
- Obtaining a copy or scan of client insurance cards;
- Recording information related to services provided;
- Obtaining client signatures on required HIPAA and other forms; and
- Collecting client payments.

The individual performing the receptionist / intake specialist duties should be organized, detail-oriented and possess good customer service skills.

Credentialing Specialist¹¹

The credentialing specialist takes care of all credentialing activities for the LPHA. It is unlikely that a single position will be created to fulfill these duties. As previously stated, the duties of a credentialing specialist may be combined with that of the billing specialist.

The primary duties of a credentialing specialist include:

- Credentialing application preparation;
- Collecting all the required information to be submitted with the application; and
- Following up with insurance companies, as necessary.

The staff person performing these tasks should have analytical tendencies, be detail-oriented and possess the ability to meet deadlines and multi-task. Communication skills are also required when performing the credentialing specialist duties in order to build relationships with insurance company representatives.

The
credentialing
specialist duties
can be
combined with
that of the
billing specialist.

Billing Specialist¹¹

The billing specialist is responsible for processing all the LPHA's claims. This person will enter the necessary information into the LPHA's selected billing model. The claim will then be sent to the appropriate insurance carrier where it will be accepted for payment or denied.

If accepted, the LPHA will be reimbursed according to the insurance company's fee schedule. If the claim is denied, the billing specialist must investigate the rejected claim, verify the information with the insurance company and update new details in the billing model for resubmission for payment. This is commonly referred to as the "follow-up process" and is a key responsibility assigned to the billing specialist.

If all or part of the claim is not eligible for payment, the billing specialist will then need to send a statement to the client. If payment is not received from the client, the LPHA may consider the use of a collection agency.

The primary responsibilities of the billing specialist include:

- Billing model utilization;
- Proper coding on claims;
- Demographic and claim data entry;
- Claim submission and follow-up;
- Insurance denials / re-filing claims;
- Secondary insurance claim filing;
- Payment processing and posting;
- Client / patient billing;
- Collection agencies / write-offs;
- Patient inquiry responses; and
- Report generation.

Billing Specialist¹¹ *continued*

The individual performing the billing specialist duties should be self-disciplined, detail-oriented, organized and familiar with computer systems and data entry. This staff person should also have good communication and customer service skills, as they will communicate directly with insurance companies and clients. It is also beneficial for the billing specialist to be trained in medical coding and medical terminology.

Billing Documents

The billing process requires the completion of various electronic forms or paper documents. Many billing models allow for the documentation to be created and stored in an electronic format. The initial billing model training should teach the LPHA staff how to create and/or complete these forms in the individual system.

Superbill / Charge Ticket / Encounter Form¹¹

The terms superbill, charge ticket and encounter forms are generally interchangeable. This is the document used to record the services being provided to clients. Typically, it is a log sheet where the health care provider checks a series of boxes to indicate the services provided to the patient and an explanation of why these services were provided. If the LPHA is using an electronic health record (EHR) system, the superbill

Many billing models allow for the creation and storage of electronic billing documents.

document will be located on the computer and will be completed by the health care provider on the computer. Without an EHR, the same tasks are accomplished manually and then the data is manually entered into the billing model by the billing staff.

All services provided to the client during a visit are reported using a coding system. There are four commonly used types of codes: CPT[®] codes, diagnosis codes, modifiers and Healthcare Common Procedure Coding System (HCPCS) codes.

The codes used to explain what the health care provider did are called CPT[®] codes, which were discussed in the Enrollment section of this toolkit. There are two types of CPT[®] codes used by providers: evaluation and management codes and procedure codes.

Evaluation and management codes are used to describe the general patient visit. There are several levels of evaluation and management codes to designate the time spent and level of decision-making required. Evaluation and management codes are often accompanied by the other classification of CPT[®] code known as a procedure code. Procedure codes describe specific services that are performed in addition to evaluation and management codes.

The superbill should also include modifiers. Modifiers are a different type of numerical code used to cover a wide range of topics that add information to the claim to help insurers determine how or whether or not the LPHA should be compensated.

Diagnosis codes are used to describe the primary complaint of the patient or why the patient is being seen. The codes can range from sore throat to chest pain. There is a diagnosis code for every possible medical problem.

Superbill / Charge Ticket / Encounter Form¹¹ *continued*

HCPCS codes use alpha and numeric characters to describe some drugs.

There are coding books that can be purchased in order to aid staff in code selection or verification. There are also on-line services to answer coding questions such as codeitrightonline.com.

If the LPHA is using an EHR system, they should be sure to include the contents of the coding list in the set-up of the software. This will make it easy to complete an electronic superbill.

Fast Fact

All services provided to clients are submitted using a coding system.

If the LPHA does not use an EHR system, the same coding information is used to create a paper superbill. Many practices that are not using an EHR use Microsoft Excel to create a custom superbill. Typically on a paper superbill, the codes are listed with boxes next to them so the provider simply has to check the appropriate boxes. The superbill should also contain an assortment of information to help identify the patient such as name, address, date of birth and the payment amount collected at the time of service. There also needs to be an area to note the place and date of service; both of which are required on the insurance claim.

If the LPHA is planning to conduct off-site clinics to provide immunization services, it will be necessary to create a specialized superbill that deals solely with the type of services to be provided.

Working with the right documents will help make the workflow run smooth. It also helps assure that the billing specialist will have all the necessary information for claim filing as well as streamlining the process for clients.

Patient Registration / Demographic Profile Form¹¹

It is essential to collect and maintain records of client demographic information. A demographic or intake form can aid in the collection of client data. Most of the information included on the form will be needed to file a claim with the third-party payer or help collect funds from clients on denied claims.

There are several other forms that are often included with the patient registration form. Since these forms require the client's signature, the forms should be signed when completing the demographic information. These forms include:

- Authorization of treatment or consent for treatment;
- Assignment of benefits; and
- HIPAA Notice of Privacy Practices Acceptance.

These documents should be included in the client's electronic or paper file.

Section 317 Funded Vaccines

There are many uninsured and underinsured clients who may seek medical care from an LPHA. For many, the LPHA is the only or last available option for health care. According to the DHSS, BIAA Section 317 policy dated August 1, 2013, the Section 317 funded vaccine program provides immunizations for priority populations, including uninsured and underinsured adults, adolescents and children. This program is available to all LPHAs who provide immunizations, which can be administered on or off-site, as long as the cold chain protocol is followed and maintained.

The BIAA Section 317 policy, which includes eligibility information and guidelines, for adult immunizations can be found at health.mo.gov/immunizations/pdf/Adult317Policy.pdf.

The BIAA Section 317 policy, which includes eligibility information and guidelines, for pediatric immunization can be found at health.mo.gov/immunizations/pdf/Pediatric317Policy.pdf.

For additional information regarding Section 317 funded vaccines, contact the BIAA at 800.219.3224.

Section 317 funded vaccines can be used to immunize uninsured and underinsured adults, adolescents and children.

Policies and Procedures

It is important for the LPHA to create policies and procedures relating to the billing process. Written policies and procedures are vital to the success of billing and should be carefully developed to include all aspects of the process. Billing staff should be well trained on the policies and procedures and have the ability to refer to them at any time to aid in performing their assigned tasks. The policies and procedures should be kept up-to-date at all times. The LPHA should update the policies and procedures immediately when any changes to the process occur.

Fast Fact

Written policies and procedures are vital to the success of the billing program.

Eligibility Verification¹¹

Reading and interpreting the contents of a clients' insurance card is an important task for billing staff. Information from these cards is needed to determine coverage and co-payments. The information on the back of the card will tell the billing staff where to send the claim for processing and payment. The LPHA's billing policies and procedures should require that the receptionist verify the insurance card on every client visit.

A copy or scan of the front and back of the client's insurance card should be obtained by the receptionist at the time of check-in. If a copy of the insurance card cannot be read, the information should be written down. All insurance card copies and/or scans should be checked for readability prior to returning the card to the client.

Eligibility Verification¹¹ *continued*

An insurance card could mean that the individual is covered under a fully insured health insurance plan regulated by the state or a self-insured employer group that is not regulated by state law. If the individual is covered under a health insurance policy that is regulated by the Missouri DIFP, the insurance card will say “Fully Insured” on the front. If the card does not state “Fully Insured,” then it is a plan that is not regulated by the Missouri DIFP. The DIFP recommends providers make a note in their files or billing records in case there are problems or questions. The DIFP will not be able to assist the LPHA with problems or questions if it is a self-insured employer group plan, but can offer assistance if the health insurance plan is fully insured.

The LPHA may have instances in which a client will present an insurance card that is no longer valid. It is important to always ask clients if their insurance information has changed since their last visit. Including eligibility verification in the billing policies and procedures will aid the LPHA in ensuring client insurance information is as accurate as possible.

Payments

Payments are the desired result of the medical billing process. There are various types of payments that the LPHA will receive through medical billing.

Co-Payment and Co-Insurance¹¹

Contracts with private / commercial insurance companies often require the LPHA to collect any applicable co-payment at the time of service. The client’s insurance card will reflect the co-payment amount that should be collected. The LPHA’s billing policies and procedures should require the reception staff to request the client’s co-payment at the time of check-in.

Clients may present payment in several forms. The LPHA should be prepared to accept cash, check and debit/credit card payments. Receipts should be given to clients and payments recorded and balanced with daily deposits.

Receiving Electronic Payments^{11,22}

Many third-party payers have transitioned from paper payments to electronic payments. Electronic funds transfer (EFT) is the electronic exchange or transfer of money from one account to another using a computer-based system. Use of EFT for paying insurance claims may improve cash flow for the LPHA because deposits occur immediately.

Medicare and MO HealthNet now require that all providers receive payments through EFT. The LPHA will be required to complete the appropriate forms to establish the EFT. The Medicare Electronic Funds Transfer (EFT) Authorization Agreement can be found at cms.gov/Medicare/CMS-Forms/CMS-Forms/downloads/CMS588.pdf. The MO HealthNet, Missouri Medicaid Audit and Compliance (MMAC) Electronic Funds Transfer (EFT) Authorization Agreement can be found at mmac.mo.gov/files/EFT-Paper.pdf. This form may also be completed and submitted electronically at <https://peu.momed.com/peu/momed/presentation/providerenrollmentgui/OnlineEFTWindow.jsp>.

Because deposits occur immediately, the use of electronic funds transfer can help improve cash flow.

Receiving Electronic Payments^{11,22} *continued*

The Affordable Care Act (ACA) Section 1104 established the CAQH Committee on Operating Rules for Information Exchange (CORE) EFT and Electronic Remittance Advice (ERA) Operating Rules, which require that private / commercial insurance companies offer EFT enrollment. At this time electronic remittance is available through private / commercial insurance companies, but is not required.

Receiving Paper Payments¹¹

The LPHA will receive payments by check from some private / commercial insurance companies and clients. The LPHA's "pay to" address will be established with each private / commercial insurance company during the credentialing process. Paper checks will be sent to this "pay to" address. All checks received should be stamped with a "Deposit Only" stamp upon receipt. Bank deposits should be made on a daily basis.

Patient Statements¹¹

In some situations, such as a denied claim or failure to collect a co-payment at the time of visit, it may be necessary to send billing statements to clients. Many billing models allow for the generation of patient statements. Some clearinghouses will offer patient statement processing, which includes printing and mailing the LPHA's statements. It is important to research all aspects of a billing model prior to selection to ensure they offer all the services needed by the LPHA.

The LPHA should include information on how they will handle patient statements in their billing policies and procedures.

Recording Payments

LPHA staff will be required to record all payment types to client accounts. It is important to do this in a timely manner. If it is not done quickly, there is a likelihood that unnecessary follow-up work will be done by billing staff or inaccurate statements will be sent to the client.

Recordkeeping²³

According to the *DHSS Public Health Works Orientation Manual for Public Health Leaders* dated February 2014, the Local Records Board of the Secretary of State's Office is responsible for overseeing the management of local government documents for Missouri. Political subdivisions need to follow the Board's guidelines for the keeping of records. Although the Secretary of State does not have a specific handbook for record retention for LPHAs, the Missouri Hospital and Health District Records Manual, issued by the board, is an appropriate guideline for LPHAs to follow and can be found at www.sos.mo.gov/archives/localrecs/schedules/hospital.asp.

The Secretary of State's Office may be contacted for further information or guidance regarding record retention.

Local Records Administrative Secretary
Secretary of State's Office
573.751.9047 (phone)
573.526.3867 (fax)
sosmain@sos.mo.gov

Outsourcing¹¹

Outsourcing is another option for medical billing within an LPHA. Medical billing companies vary greatly in their services. Some operate locally, others offer services statewide and some are national or even international in scope. Many options are available for outsourcing, but finding the right medical billing company can be challenging. Billing companies are not accustomed to being employed by LPHAs; however, there are companies willing to accommodate LPHA needs.

Finding the right billing company requires research. Information about the pilot tested billing models can be found in the *Appendices* of this toolkit and may be used as a first step in researching billing options. An Internet search for billing companies may also be beneficial.

On a national basis, hundreds of medical billing companies are available. A few billing software companies make available long-distance billing services that can file claims and process payments.

Next Steps / Summary

There are many steps involved in the medical billing process, which can be broken down into three categories: preparation; enrollment; and billing. It is important to conduct all the research necessary to implement an effective billing system. In addition to the multiple resource links within the various sections of this toolkit, a listing of web sites that may aid in billing research can be found on page 65 of this toolkit.

The LPHA must decide whether or not it is the right time for the agency to begin billing third-party payers. In some cases, billing may not be a sustainable option for an LPHA; therefore, it is imperative to analyze all aspects of the agency and ensure that the capability for billing is available.

