Handling Out of Network Successfully from a Billing and Coding Perspective

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Overview

- Why stay OON
- Frontend process
- Notification
- What is an OON adjustment
- What carriers are doing
- Working on the backend
- Managed care contracts
- Conclusion

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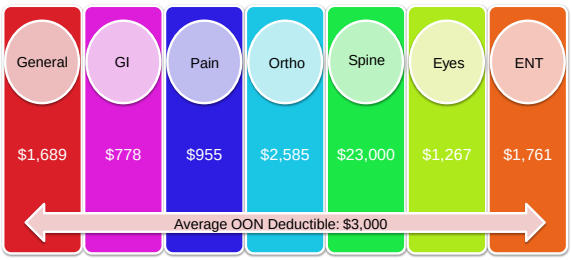
Why Stay Out Of Network

Average Reimbursement by Specialty



*information provided by VMG 2011 Intellimarker and various ASC Communication sources

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Frontend Process

- Insurance verification
- Networks
- On-line access
- Authorization requirements
  - Staffing
  - Automation

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Notification

- Reduce risk to your surgery center with a disclaimer on claim
  - "We intend to honor in network deductibles and copays"
  - "We will match in network benefits"
- Carriers point of view

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What Is An Out Of Network Adjustment

- Deductible
- Co-insurance
- Co-pay (not applicable)
- Balance billing

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What Carriers Are Doing

- Stay up to date on OON payment trends and recent case laws
  - Limiting OON reimbursement
  - Case rates
  - Payment going to the patient
  - MNRP plans
  - OON disclosure requirements

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Sample: Notification Language

"The physician or other health care professional must also complete the Member Advance Notice Form and obtain the member's signature on the form, prior to rendering services, to confirm the member's decision to receive services from a non-participating provider. A separate Member Advance Notice Form must be completed for each provider type or service listed above. Members who have out-of-network benefits can continue to exercise their right to use their benefits at any time."

Administrative Actions for Non-Compliance
We will monitor the involvement of the non-participating provider types outlined above in our Customer's care and may request a copy of the completed Customer Advance Notice Form at any time from providers with significant volumes of non-participating provider utilization. Compliance with this Protocol will be reviewed by XXX and failure to comply with the Protocol may result in appropriate action under your participation agreement, which may include, but is not limited to, ineligibility for performance based compensation or termination of your participation agreement.

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Sample: Member Advanced Notice Form Language

Your physician or other health care professional has decided to involve a non-participating physician, facility or other health care provider in your care. In order to assist you in making informed decisions regarding your health care, we ask that you sign this form to indicate you have had a discussion with your physician or other health care professional about your option to utilize a participating provider and you have agreed to receive services from a non-participating provider despite the potential increased out-of-pocket costs associated with that decision.1

I am aware that the physician, facility or other health care provider listed above will be involved in my care on the date of service listed above and I understand that this health care provider is not a participating provider in XXX network. **I was provided** and declined the opportunity to select a participating provider to provide the health care services indicated above and am voluntarily choosing to obtain services from a non-participating provider. **I am aware that I may be responsible** for any additional costs resulting from my use of a non-participating provider, if provided in my benefit plan. **I understand** that non-participating providers are generally prohibited from waiving member cost share amounts such as co-payments, deductibles and coinsurance.

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Working On The Backend

- Trained payment posters to flag low payments and alert AR follow up team
- Establish what the facility considers to be a "low" payment for your OON carriers
- Backend negotiations for reconsiderations on additional allowance for "underpaid" claims
- May require patient authorization to appeal on their behalf

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Managed Care Contracts

- Are you sure it's a managed care company?
- Reimbursement methodology
- Rates and implants
- Multiple procedures
- Timely filing limits
- Will they abide by state laws?
- EDI and EFT requirements
- Product cram down
- Silent PPO language (with cherry picking)
- Most Favored Nations clause

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Questions?

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Thank You

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