

CENTER INFORMATION

- **AAAHC Accredited**
- **Medicare Certified**
- **Licensed by State of New Jersey**
- **Billing outsourced to two companies (in-network and out-of-network)**

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OUT-OF-NETWORK

- **Generic definition of out-of-network**
 - **Payer allowances (usually higher)**
 - **Patient financial responsibility (usually higher)**
 - **Information given to patient**
 - **How claim is handled**

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IN-NETWORK

- **Generic definition of in-network**
 - **Payer allowances (based on contract fee schedule)**
 - **Patient financial responsibility (preset by patient's contract and payer's contracted fee schedule)**
 - **Information given to patient**
 - **How claim is handled**

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**CO-PRESENTER
AND
BUSINESS OFFICE
MANAGER**

NANCY EASLEY-MACK

CENTER HISTORY

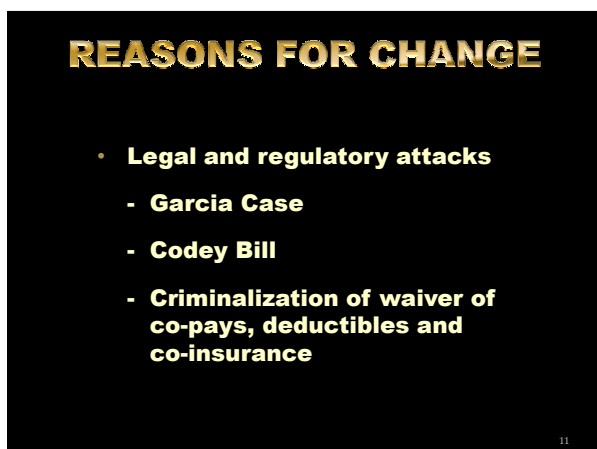
- **65 physician-owners**
- **700 cases/month**
- **10 Specialties represented**

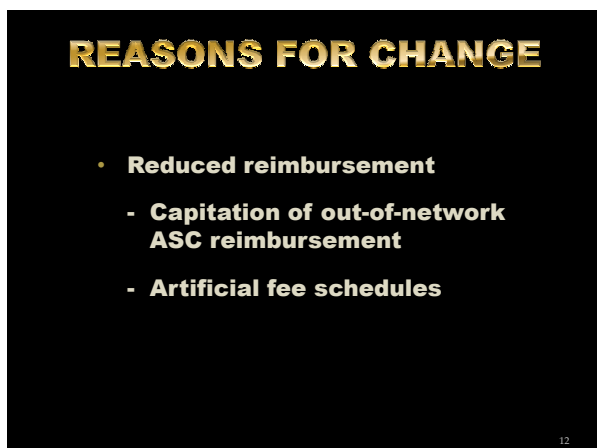
ENT	Orthopedics
General Surgery	Plastic Surgery
GYN	Pain Management
Spine	Podiatry
Ophthalmology	Urology

CENTER HISTORY

- **Out-of-Network Business Model**
 - **Co-pays**
 - **Co-insurance**
 - **Deductibles**
 - **Patient financial responsibility**
 - **Payer responsibility**



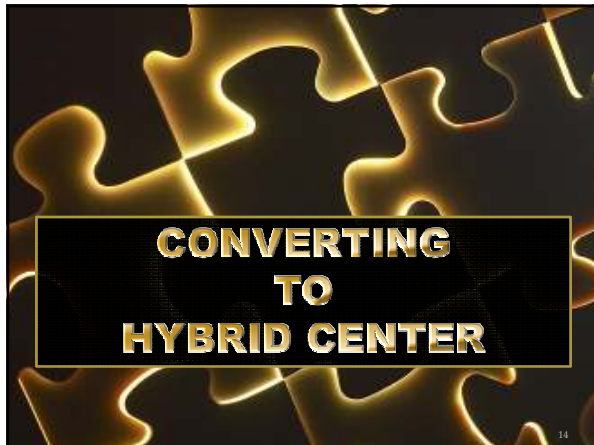




REASONS FOR CHANGE

- **Coercion from major payers**
 - **Payments processed to patient**
 - **Participating physician contract termination without cause or credentialing not renewed**
 - **Unfavorable quality review ratings**
 - **Alarming out-of-network disclosure forms to patients**
 - **Contract negotiation and renewal ban referrals to out-of-network ASCs**

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HYBRID CENTER

- **Definition of Hybrid Center**
 - **Major payers are contracted and in-network patient and payer responsibilities follow contract allowances (65% of patients)**
 - **Non-contracted payers continue to be handled following the same out-of-network process as previously (35% of patients)**

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CENTER CONVERSION

STEP 1 - CONTRACTING

- Modeling
- Legal review of contract
- Physician buy-in

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CENTER CONVERSION

STEP 2 - IMPLEMENTATION

- Meeting with payer
- Clean claims
- Payer-specific processing requirements

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CENTER CONVERSION

STEP 3 - ROLL-OUT OF NEW BUSINESS MODEL

- Orientation of physicians' offices to new practices
- Up-front collections
- Referral and authorization requirements

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WHAT TO LOOK FOR IN A BILLING COMPANY

Reputation	Red Flag Policy
Longevity	Policies/Procedures
Industry References	Disaster Plan
Client References	Financial Policies
Employees Bonded	Data Protection
Certified Coders	Secure Connectivity
E&O Insurance	HIPAA Compliance
Specialty Experience	Auditing Program
Staff Qualifications	Understands APCs
Specializes in ASCs	State Reporting
Experienced IT Staff	Special Reports
Understands Managed Care Contracts	
Experienced with In and Out of Network	

CONVERSION ASSISTANCE

New billing company assisted with:

- **Developing fee schedule**
- **Selecting clearinghouse**
- **Selecting collection agency**
- **Establishing process for in-network documentation for maximized coding**
- **Transfer from previous billing company**
- **Meeting Medicare requirements for dual enrollment / two billing companies**

CONVERSION ASSISTANCE

New billing company assisted with:

- Setting up billing software for in-network, such as:
 - ledger codes
 - modifiers
 - insurance contracts
 - providers
- Establishing business office financial policies, such as:
 - self-pay
 - in-network / out-of-network
 - Medicare / other government payers

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RESTRUCTURING THE BUSINESS OFFICE

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BUSINESS OFFICE CHANGES

PATIENT FINANCIAL COUNSELING

- Payment calculator
- Calls to patients
- Up-front collections

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BUSINESS OFFICE CHANGES

CASE SELECTION

- Gate-keeping
- Financial analysis of case cost versus reimbursement

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BUSINESS OFFICE CHANGES

COORDINATION OF BOTH BILLING COMPANIES

- Accounting – merging data from both companies to manage and report accounts receivable
- Two-way communication between billing companies

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RESULTS OF CHANGING TO A HYBRID CENTER

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CHALLENGES

- **Claim adjudication / clean claims**
- **Reimbursement of services / supplies in addition to case rate**
- **Inconsistent information from provider services**
- **Referral and authorization requirements**

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SUCCE\$SES

- **Improved market position**
- **Predictable reimbursement**
- **Improved utilization of operating rooms**
- **30% increase in case volume**
- **Maximized in-network revenue**
- **Reduced AR days**

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REVIEW

- **Changes in NJ legislation**
- **Researching path to take**
- **Decision on Hybrid Center**
- **Conversion**
- **Searching for a billing company**
- **Business office restructuring**
- **Results**

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ADDITIONAL INFORMATION?

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