

How to *Thrive* in a Down Economy

Small to medium sized anesthesia practices can **Thrive** in a down economy by developing a strategic plan focused on three (3) areas; Income improvement, Cost reduction and Quality monitoring. This article focuses on the area of income improvement. To make sure your group maximizes revenues and minimize compliance risk, conduct a reimbursement audit, periodically.

Audit Sample Gather the records for three (3) subsequent days services. This should be a representative sample for your group. Obtain copies of the anesthesia records, charge sheets, claim forms, operating room schedule and obstetrical log. Next, audit the documents against the final operating room schedule to insure that all services resulted in a charge. Finally, review documents for completeness and accuracy. You may need pain schedules, OR add-on cases, and concurrency reports.

Analyze Coding Poor coding cost your group money and exposes you to compliance risk. Review the same three (3) days sample to ensure that every case was coded with the most appropriate CPT and ASA codes. These codes should generate the highest possible base units for the services. Review each case to determine if it is eligible for additional base units due to physical status modifiers, and qualifying circumstances (I.E. Extreme age 99100, Emergency 99140, Hypothermia 99116 or Hypotension 99135). Run a report for all anesthesia cases for the past 12 months sorted by ASA code. Look for those ASAs that represent the most commonly under coded procedures and test a few. Also, verify your software's CPT*to ASA** crosswalks are updated and do not result in recurring billing errors.

Review Concurrency Determine those cases that were medically directed and determine if the seven requirements for medical direction were met and documented. Review the start and stop times for accuracy and to make sure no rounding of times occurs. Check for the appropriate documentation of relief by providers (physician, CRNAs, resident, SRNAs, AAs, etc.). Calculate concurrency manually for each day to ensure that your billing software computes concurrency properly.

AR Management Review one weeks' correspondence including all payment remittances (electronic and paper). Run a detailed aged trial balance report for all claims that are greater than 91 days old from service date. Randomly select accounts and determine why they have not been paid.

Summary The reimbursement audit will identify a range of problems and issues to be resolved, which will improve the revenue cycle and cash collections for the group. Make a list of the problems, issue and the proposed resolutions that will be implemented. If you outsource to a third party, set-up a project plan and hold a weekly meeting or call to review the progress against the project plan. Finally, refine the processes and educate the staff members and continue to audit periodically.

Auditing is a sound financial practice accepted in every business sector. By auditing you are insuring that "your staff respects what you inspect". An ongoing audit program will help maximize revenue, improve income, and avoid costly compliance risk.

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