ADVANCED DATA SYSTEMS RCM

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*IN*SIGHTS

Articles of Interest in the World of Revenue Cycle Management from Advanced Data Systems RCM

Deny, Deny, Deny

That might (or might not) be good advice if you're accused of something, but that's not what this is about.

This *is* about what insurance payers are doing - perhaps more so now than ever - as they deny, deny, deny. Yes, they often deny any wrongdoing when denying your claims, but ultimately, they'd have to confess whenever their denied claims are paid.

The trick is to *avoid* their denials in the first place so that, for the most part, none of it has to happen. On that note, and according to an MGMA article, 90% of denials/rejected claims are preventable, and more than 70% of them can be made good. Hand in hand with that is the commonly recurring industrywide theme about how payers are using AI to deny claims. One example of that appears here.

As we've written numerous times in previous InSights, insurance payers often appear to be in business as much, or more, to deny claims as to pay them, especially when non-human AI can help them deny claims by the tens of thousands in nanoseconds. It's why your AI needs to be as good as or better than theirs.

Empower yourself by neutralizing their AI if your AI can produce proactive alerts on claims likely to be denied, giving you the chance to edit them first, beating the deniers at their own game. Two other related tools for avoiding denials are automated prior authorizations and eligibility verifications on scheduling appointments, and again, a few times in advance.

And then, because nothing is perfect (the stat is 90% as noted above), you'll want an RCM company that can quickly edit/resubmit, or an on-the-fly in-house denial manager that enables you to do the same.

Denials aren't going away, but with all these protections in place, you'll successfully overcome them to the best of your ability and derive revenue instead of excuses.

(ADSRCM supports combating denials as described with our AI-driven MedicsPremier platform, and any that slip through are edited and resubmitted within 72 business hours. MedicsPremier is also available from ADS if an in-house system is preferred.)

New Code: BTP-854876

BTP-854879 is a new code for brain transplants.

If you perform this procedure, you'll need to use the new code - possibly with a Modifier 14 - if the reason for the transplant was work-related. Failure to use the new code and the modifier when needed will result in a denial.

(If you're not L'ing OL, you either think this is serious or not funny. Hopefully, it's the latter.)

The *Real* ICD-10® Codes for 2025

This is no joke. CMS and the National Center for Health Statistics (NCHS) provide the guidelines for coding and reporting using the International Classification of Diseases, 10th Revision, Procedure Coding System (ICD-10-PCS).

As stated, these guidelines should be used as a *companion* document to the official version of the ICD-10-PCS as published on the CMS website.

Please click on the guidelines link above for twenty pages of coding information for your perusal.

(ADSRCM has deep knowledge of upcoming coding changes and nuances, so clients don't need to bog themselves down in the minutiae. We're also on top of E/M coding to help ensure maximized reimbursements without over-coding, and NCCI editing whenever multiple claims for a patient should be bundled into a master claim to avoid those denials.)

Surprise Billing? Challenge and Prevail!

According to US News and World Report, patients/guarantors who challenge unexpected medical bills often get satisfaction in some form of financial relief. The article points out that almost 62% of those expressing concern, usually to a medical billing office, either received some help paying their bills or had them canceled altogether.

The trick is to ensure patients know upfront about close approximations of their responsibility balances based on their insurance and appointment reasons. You should be able to provide a more detailed view as patients leave and their actual procedures have been performed.

An AI-driven patient responsibility estimator needs to be accessible when scheduling appointments and when appointments are completed. Based on your financial policy, this will avoid surprises and get patients to acknowledge what they owe.

Then, as balances become their responsibility, deliver those balances through texts or emailable statements through which payments can be made.

Extra credit: Your RCM company or in-house system should also produce out-of-network alerts when scheduling appointments and, ideally, be able to display any other providers who are in-network for the patient.

News if you're thinking about Merging/Acquiring

The FTC has finalized a rule requiring healthcare companies, networks, and hospitals to provide more detailed information before a merger or acquisition (MA) is finalized. Those details include submitting an in-depth report relative to competition and the potential impact of the MA on competition, as well as details on supply chains and investors.

The reporting is because the FTC wants to ensure against antitrust and monopoly issues.

While the new rule is somewhat simpler than the one originally proposed in 2023, it's still expected to take 105 hours to complete the questionnaire.

If you're thinking about an MA, be sure to budget the estimated time element.

Click here for the FTC's details.

Supply Chain and Medications

Hearkening back to the previous article mentioning "supply chain," comes news about the FDA having outlined new exemptions to the Drug Supply Chain Security Act.

The exemptions apply to any partners who have completed or made documented compliance efforts but still face data exchange challenges. The FDA said it's allowing additional time to avoid supply chain disruptions that may impact patients' access to needed medications.

The crux of the issue is that the implementation deadline, which has been delayed multiple times, is currently Nov. 27, 2024. If a pharmaceutical manufacturer can't provide unit-level serialized products to its distributors by then, the product can't be legally moved to the next step in the supply chain.

Of course, ultimately, that would impact patients' ability to obtain the medications they need.

Click here for the FDA's details.

Medical Fraud Story of the Month Club

On September 18, a federal grand jury in LA returned an indictment charging a Louisiana doctor for his role in a scheme to defraud Medicare of over $32.7 million by submitting claims for medically unnecessary definitive urine drug testing services.

The doctor owned and operated a pain management clinic with an in-house drug testing laboratory. The scheme involved testing all patients despite a lack of documentation or suspicion of drug use by those patients. He was reimbursed almost $12 million by Medicare for medically unnecessary urine tests. The doctor used that money for personal expenses.

The doctor faces six counts, each of which carries a maximum penalty of ten years.

HHS-OIG and the FBI's New Orleans field office are the investigating agencies.

Click here for the DOJ's details.

Humana's Medicare disAdvantage

The disadvantage refers to Humana's MA star rating having dropped, combined with 25% of Humana MA plan members opting for coverage with four or five stars.

As such, the number of Humana members enrolled in MA plans next year is expected to plummet, threatening the insurer's ability to bring rebates and bonus payments.

Essentially, MA star ratings are to insurers what Michelin ratings are to restaurants. That's why, insurers very much covet their stars because investors are also watching for fluctuations.

Click here for Humana's October 2nd security filing and related details.

Relatedly, about 40% of MA plans with prescription drug coverage will earn at least four stars, a 42% decrease from this year.

Click here for the CMS report on that.

Medical Fraud Story of the Month Club

The owner of a NJ counseling center was sentenced on 10/9 to 15 months for her role in a health care fraud scheme involving hundreds of false claims. She had previously pled guilty.

The defendant admitted that for years, she submitted false claims to private health insurance plans for counseling sessions that she never provided and for individuals who had been out of the country, ceased attending the practice, or never visited the counseling center.

The false claims caused insurance plans to issue reimbursement checks to the center, with the owner keeping the ill-gotten profits which totaled more than $700,000.

Besides the 15 months, the sentence called for three years of supervised release and $708,000 in restitution payments.

Click here for the Justice Department press release.

Medical Debt Collecting: There Are Rules

The first thing to know is that the Consumer Financial Protection Bureau (CFPB) is a US government agency. The next thing to know is that they're on a mission to laser onto medical debt collectors and RCM companies who collect inaccurate or inflated patient charges and balances.

The CFPB is leveraging a federal law that states that medical debt collectors may not collect charges that are "inaccurate, legally invalid, already paid, misrepresented, exaggerated, or otherwise false." Their goal is to ensure that patients/guarantors aren't hounded by medical debt collectors over unsubstantiated or invalid charges.

According to the CFPB, about 100 million Americans owe over $220 billion in medical debt. You can easily imagine how vast the collection side of that effort must be. The No Surprises Act is also involved with patients receiving statements for charges they had no knowledge of.

Click here for the CFPB's details on the above, and be aware of the rules and regs involved in medical debt collection!

(ADSRCM supports several AI-driven features designed to help manage patient receivables, including a pre- and post-appointment patient responsibility estimator, out-of-network alerts, multiple eligibility verifications, an automated prior authorizations option, balance-due texts and emailable statements with built-in payment mechanisms, and a portal with online payments. Patients with statement questions call us.)

We hope you enjoyed the read.
Next: InSights for November stuffed with articles of interest!

Contact us at **844-599-6881** or by emailing **info@adsc.com** for more about how you can drive maximized revenue and productivity for your laboratory with ADSRCM or about the MedicsPremier platform if in-laboratory automation is preferred!

Feedback or comments on our newsletters/content are greatly appreciated. Please opine by emailing marc.klar@adsc.com or by calling me at 973-931-7516. I would love to hear from you!
-Marc E. Klar, Vice President, Marketing, ADS RCM.