

NMS Providing innovative practice management solutions

Protecting your assets

by Susan J. Guenther

We have all continued to experience the increasing complexity of healthcare. This edition of our Newsletter is focused on the topic of protecting your assets because they represent a very large investment you have made in your livelihood. Those assets include not only your staff, your patients and yourself but also the processes used to ensure that your expectations of payors

are appropriate and that they are completely fulfilled, as well as the processes that ensure you are also receiving from your patients their portion of the financial responsibility.

This Newsletter speaks to some of those subjects and highlights critical components of your own office readiness. Please share with me your comments and

ideas regarding this or future Newsletters. I look forward to hearing from you via email at newsletter@nationalmultiple.com

Susan



Volume 1, Issue 1
July 2007

Special points of interest:

- Protecting your patients
- Protecting your cash
- Protecting your resources
- Protecting yourself

Protecting your best asset- Yourself

You are your most important asset. Are you sure you are leveraging your value? When was the last time you reviewed your rate schedule? Are you missing a revenue opportunity because your rates are out of date?

And when was the last time you looked at

your charging process? Are you missing opportunities because the payor rules have changed? How does your staff stay up-to-date with the credentialing process, payor rules for charging and do you feel you are truly receiving all of what you deserve?

At NMS, our staff is focused on keeping all our clients' credentials and rate schedules current. And our continuous involvement with payors, assures we have a complete understanding of the rules allowing for optimized revenue opportunity.

Inside this issue:

Cash Collections	2
Cash Management and Controls	2
Operations Security	3
Security of Patient Information	3

Billing Tip: Beginning July 1st you can bill Medicare for unused vaccines and other biologicals as you would unused drugs. You must only bill Medicare for the discarded portion. The patient should not pay the 20% coinsurance on the portion of the drug the patient did not get.

Cash Collection is driven by Insurance Verification and setting expectations with your patients

Though offices may have had the policy to collect co-pays with their patients, the new world of payor rules has created an entirely different situation. You no longer have a set renewal timeframe, no common “rules” for co-pays or deductibles. And some patients have chosen high deductible plans or Health Savings plans which require you to have the ability to process a credit card transaction.

Do you have the tools to do online verification for your patients’ payors? Many payors only will provide insurance verification checking via their web pages. There are services you can contract with such as Emdeon or Blue Cross/Blue Shield so your staff can complete the necessary verification.

In the current Michigan economy, the volume of self-pay patients is increasing. Do you have ade-

Protecting your assets,



quate policies and procedures to ensure that you collect self-pay monies? Or are you finding yourself with an increase in bad debt and collection agency fees? Many consumers place a lower priority on an unsecured service bill such as yours than on their monthly credit card bill, further complicating collection.

The other critical success factor is clearly setting expectations with your patients before their service. Once you have verified their benefits and determined their obligations, communicating to the patient what they are expected to pay at time of service or prior to a surgical procedure prevents many issues.

Best-practice offices we work with often use these tools to improve cash collection performance:

- Establishment of a pre-patient arrival readiness checklist
- Routine insurance verification including co-pay/deductible determination
- Consistent patient notification of financial obligations
- Establishment of minimum payment for self-pay patients at time of service, often including a percentage discount for payment in full at time of service. (Be creative in getting your monies earlier in the collection process!)

Assets your office should have in place include:

- secure internet access
- credit card or electronic check processing
- an office policy on cash collections

Contact us at NMS for other ideas to ensure your financial success.

Cash Management and Controls

Now that you have collected the cash, you must have good management and controls to ensure that all of the payments are posted to the correct account and deposited in the your bank account

So what cash management tools should you focus on? Perhaps a lockbox is first on the list. The advantage of a lockbox is to separate staff from processing cash. Why is that important? Unfortunately fraud in the physician’s office does occur and is something you should prepare to prevent.

And if you don’t use a billing service, you also need to separate the cash processing duties from the cash management responsibility. Procedurally separating those responsibilities across at least 3 individuals can provide effective controls and balances.

Your practice readiness checklist should include a documented process for collecting payment, processing the payment to the account, balancing cash, depositing daily cash and other

transactions.

Not to be ignored either, is the empowerment of individuals with the ability to pay bills and write checks. Many practices have accountants to handle these transactions. Smaller practices may utilize their office staff. Please ensure that you limit the number of individuals who can sign documents or checks on your behalf and that a system of safeguards is in place. You should also be consistently engaged in your office finances and ensure that they are routinely audited.

Security of Patient Information

The new patient privacy act known as HIPAA (Health Insurance Portability and Accountability Act of 1996) was enacted to, among other things, provide federal privacy standards to protect patients' medical records and other health information. In addition to ensuring the confidentiality of the patient information, this Act also calls on physicians offices to be more accountable in determining that the patient is who they say they are and that the insurance information is in fact their own.

The best way to determine that the patient and insurance information go together is to ask for and copy the patient's (or responsible party's) driver's license and insurance cards. If the insurance is in someone else's name, a call or computer check with the insurance company to verify eligibility is neces-

sary. A call or internet check should be made prior to each patient's visit as matter of routine to ensure that the insurance coverage is still in effect.

When it comes to protecting the patient information, a physician's office is not required to obtain the patient's "consent" for uses and disclosures of protected health information for treatment, payment or health care operations. However, an "authorization" is required for uses and disclosures not related to treatment, payment or health care operations. It should also be noted that an established "personal representative" is not to be granted access to patient information based on a non-health care power of attorney. The power of attorney must include decisions related to health care in its scope to provide the representative ac-

cess to patient information.

At NMS, we suggest a yearly process be established in your practice to update current copies of insurance cards, HIPPA disclosure, consents and other critical, sensitive data. NMS can facilitate establishment of this process via our Practice Readiness Assessment Service.

Protecting your patients



Operations Security

By, Charles Stoia, Operations Manager

We live in a world of data interconnection. Everyone is sharing data via the Internet and through virtual private networks to accomplish business in our tech driven economy. In healthcare, the HIPPA act of 1996 has and continues to change the way we are allowed to share and report information. HIPPA has required that healthcare providers and hospitals secure their networks to protect patients from unauthorized dissemination of their records and demographic information.

As a billing service, our focus is the security of your patient's demographic information that could be used to steal a patient's identity. Our database system is a proprietary Unix based system. The database exists behind a hardware firewall with a high level of data encryption. NMS maintains a corporate cross network anti-virus solution that monitors all computers inside our physical network. We have also made the decision to not allow any wireless access into our network. The inherent vulnerabilities of a wireless network do not lend themselves to the security level that today's reality demands.

Another vital aspect of securing your patient data is the security in place at your office. Do your computers have up to date anti-virus software? Are you running a wireless network within your office? Is the wireless network using WEP encryption? What level of encryption? If you are unsure of the answers to any of these questions you may have vulnerability within your network.

In addition to providing you the highest level of expertise in processing your patient accounts, NMS also provides IT services to its clients. Let us evaluate your network and determine if your network is healthy, stable and secure.

Protecting your equipment





30075 Greenfield Rd. , Suite 100
Southfield, MI 48076-1523

Phone: 248 290 2940
Fax 248 290 2941
www.nationalmultiple.com
Email: newsletter@nationalmultiple.com
www.nationalmultiple.com



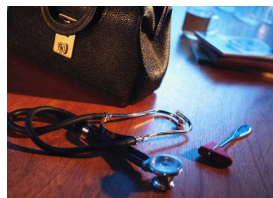
NMS

NMS has been serving physician offices since 1983 with a single goal - *leverage expert knowledge in billing, collections , denials, and verification for shared financial success.*

With **NMS** services, physicians can address the tedium and costs of insurance and regulatory requirements, acquisition of billing technology, staff training and patient communications .

The processes of billing, collection, denials, and verification while essential to a physician practice are not a physician's area of expertise. **NMS** provides these services and does so through a financially attractive business model - **NMS** provides the information technology platform and processing services while you simply pay for the services used.

By outsourcing these processes you can assure timely and cost effective performance while concentrating on the delivery of medical services to your patients.



Service at it's best: *Why Out-source..*

We pride ourselves on being able to accommodate the unique needs of our Clients. Our services provide all the advantages and convenience of having an expert, professional and reliable staff without the usual overhead and complications.

*With **NMS** you only pay for work completed. Our clients have found our services permit them to realize some of the following benefits :*

- *Reduced office staff , space, and equipment costs*
- *Lower investment and ongoing support of technology and IT expertise*
- *Less effort spent on the challenge of staying current with insurance and regulatory requirements*
- *Ease of creating and maintaining best practice solutions*
- *Increased Cash Flow*