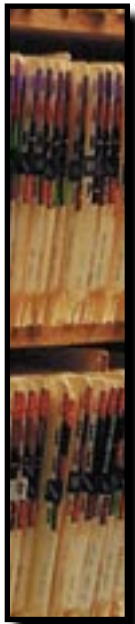


Productive Provider Newsletter

Volume 3, Issue 6 • June 2005 • ©M.P.E.C.S. June 2005



M.P.E.C.S. Medical Professional Education and Consultation Services

Jim Meeks, P.A.-C.

Understanding Today's Healthcare,
Serving Today's Patients,
Meeting the Needs of Today's Practice.

Welcome to the *Productive Provider Newsletter*.

A unique publication bringing you timely, thoughtful and valuable information on the confusing topic of Evaluation and Management (E/M) coding. Designed specifically for the busy medical practice and provider seeking no nonsense information on coding E/M services.

Your questions and comments are essential to the success of this publication. Please make comments and suggestions on the content of this newsletter. I'd like to hear what you have to say about these issues.

Thanks in advance for your support.

AT A GLANCE: In this month's *Productive Provider Newsletter*

1. It's just my opinion

"I usually just code the visit at a lower level for patients without insurance, is that OK?"

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"I do not have time for cancer. I do not have time to be a victim."

3. Profitability

When was the last time you . . .

1. Its just my opinion.

"I usually just code the visit at a lower level for patients without insurance, is that OK?"

This is a common question and unfortunately, a common practice. I'd like to take a few minutes and discuss the reason it is not the correct thing to be doing.

The primary concern I have with this practice is that it doesn't give you the provider credit for the work you have done. Let me explain. If for example, you are seeing an established patient and during the patient provider encounter you do work that qualifies for a 99214 visit, but then you mark a lower level on the charge slip to give the patient a break on the charges, you have just short changed yourself for the work you did. It is something that I see often. Unfortunately, providers often sell themselves short in this situation (and others).

Productive Provider Newsletter

is published electronically by
Jim Meeks, P.A.-C. doing business
as M.P.E.C.S.
PO Box 899
Pleasant Grove, Utah 84062-0899
www.mpecs.org

All material contained in this publication is the original work of Jim Meeks, P.A.-C. unless otherwise noted. Quotations from and references to this material are encouraged and authorized as long as credit is given to the author, this newsletter by name and reference to the MPECS web site is included.

The acuity associated with any given Evaluation and Management level is just about the only way of correctly monitoring your productivity and value to the practice. This may not seem to be as important in a solo practice, but even then, it is important to be able to look back and see what kind of work you are doing.

At the end of any given month, every provider should be able to see what productivity he or she has generated in the practice. If you are frequently billing a 99212 or 99213 when doing work at a higher level, then you are not going to be able to correctly see what kind of work you are doing in your practice. If you work with other providers, looking at the levels of office visits generated by the various providers is an excellent way of doing comparison studies.

Let's consider two examples. If you happen to see a lot of complicated patients and spend a lot of time with them, then you should be billing at higher levels of acuity. If on the other hand, you are seeing a lot of patients with simple problems, your billing levels would logically be at a lower level overall. By comparing the productivity of these two examples, you may discover that even though one provider is seeing fewer patients per day, his productivity may actually be higher—when coding is done correctly—due to the complexity of the patients seen. If you under code with the intent of giving a financial break to the patient, your actual work picture will be totally distorted.

Another point to consider is if you happen to be working in an under served area where your practice is being financed or subsidized by outside sources and not so much by patient billings. It may seem at first that all of this coding and billing stuff may not matter a whole lot. Personally, I think it does.

Consider this. If at some point, someone questions the value of the practice (or worse yet a provider) in this particular setting, how do you justify the value of the work and service you are providing? If you are coding accurately (even if you never bill the patients for the service) and thereby are able to show the acuity of the patients seen versus the billings generated or the dollars collected, then you are more likely to be able to justify the service (or your work) than if you simply report the number of patients seen each month. Accurate coding is vitally important in every practice situation.

Getting back to the original question, how then do we help those without insurance or without the means to pay for the medical care we provide? How do we do that without distorting the big picture?

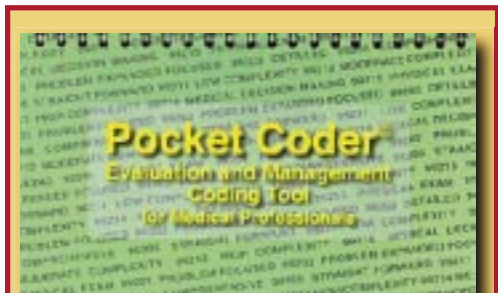
My recommendation is that every practice have in place a written discount policy. Any discount should be based on the actual need of the patient or family. It is much better if a discount policy is established as a written policy with clear guidelines. That way, it can be applied fairly to anyone in need. Arbitrary discounts are inappropriate and my lead to legal problems.

I further recommend that providers not be the one to determine the level of discount or when they are given. Patients should be referred to the office manager or another person in the business office for questions about discounts. That eliminates the embarrassment of

having to discuss financial matters during an exam or at the front desk where others can hear. Providers should be focused on providing healthcare (and correct documentation and coding), not negotiating on fees. If the discount policy is written and applied equally and fairly, there shouldn't be any problems.

There are additional considerations you need to be aware of for discount policies. You can discount to whatever degree you want, but if you are a Medicare participant, you cannot charge anyone less than what you charge Medicare patients. If you are considering waiving co-pay charges for some patients, be sure that doing so does not violate your agreements with health insurance companies you are contracted with. That could be a problem.

It's just my opinion.
Jim Meeks, PA-C



DO YOU KNOW?

Do you know the specific elements of documentation that determine which E/M code you should use? You are not alone if you are still struggling with this process. Never guess again. Get the **POCKET CODER**®.

A pocket sized quick reference that you can easily refer to in the exam room, the hospital, care center or wherever you are seeing patients. Fully comprehensive, covering all practice settings, it will eliminate guesswork and down coding from your practice.

Order yours today online at www.mpeccs.org. It is a must for every provider.

2. Cancer's Call

Just this week, I was faced with the unpleasant task of telling a friend of mine that he had cancer. I had seen him for another problem and during the course of that exam asked him about an unusual looking freckle I observed on his shoulder. The subsequent biopsy report was positive for melanoma.

As I grow older, I seem to be more observant of these things. My father and my older brother have both had

prostate cancer. Fortunately, my most recent screening tests and exams were well within the limits of normal.

A dear friend of mine and office manager at my practice recently shared a letter with me. This was written by a friend of hers in the midst of her battle with breast cancer. I am always amazed and humbled by the courage my patients, friends and family show in the face of the bad news of cancer. I asked permission to share this with you here today. My hope is that you may be encouraged as I was. There are words of encouragement for all and words the we as healthcare providers should think about. This woman's name is Tamra Adams, she lives in Virginia. I have never met her. She entitled this **"Relay for Life."**

As for me, I am a survivor. When I was first diagnosed with cancer, I felt I had two choices. I could be a survivor or a victim. My initial reaction was not, "Why me?" but rather "Why not me?" and mentally I began to outline a strategy to take on the opponent, the cancer, and win.

"Why not me?" Look around you. According to the American Cancer Society, one in every two males and one in every three females has the likelihood of developing cancer in their lifetimes. There are over one hundred types of cancer; Cancer does not discriminate in terms of gender, age, or socioeconomic status .

A woman can be diagnosed with breast cancer if she has yet to cuddle her first- born child or if she has had the experience of childbirth many times over. Cancer doesn't care who takes care of you or who you take care of. It doesn't work around your schedule.

I am Tamra Adams, a member of St. Matthew's Methodist Church, the wife of a self-employed man who frequently travels and works tirelessly to support not just our "little family" but the families of two hundred and fifty of our employees as well. I am a mother- a mother of twelve children, ten birth children ranging in age from one to 27, and two stepchildren. Nine of my children still live at home while the tenth lives just down the street in beautiful downtown Goochland with his lovely wife and their three very special children.

I am also the primary educator of six of our school-aged children who have yet to take a class in a traditional school. I teach them year round at our Little Red Schoolhouse. Cancer has not changed that. In addition, I am the very proud mother and former educator of twins, Annalisa and Evan, who, as participants in the county's gifted program, are rising juniors at Maggie L. Walker Governor's School. Dylan, their younger brother and budding entrepreneur, will join them at Maggie Walker this fall as a freshman. In addition, I am the grandmother of ten.

I do not have time for cancer. I do not have time to be a victim. I am a survivor, and according to the American Cancer Society, I have been a survivor since the moment I was diagnosed. It is my children and grandchildren, my husband and family, my church family, and my friends, who are the victims as they have witnessed and endured the cruelty and challenges of this wretched disease and what it has taken from them. Gone is a sense of security, the joy of innocence, and the ability to enjoy a normal day.

My husband has to worry about becoming a single parent. My children have fears they never had before. Friends and family often feel like helpless bystanders wanting to help, but not knowing what to say or do. And what about me?

When I was first ticketed to ride the Cancer Train, I was hardly prepared for the many decisions I would need to make that could potentially save or end my life. I did not sign up for Cancer 101 yet was quickly forced to become a student of medical research. I have experienced our nation's medical system at its best and worst, with six documented incidents of questionable medical practice or, plain and simple, malpractice, including one case of mistaken identity.

Although I received a letter of apology for the incident, no one can restore total faith in the system, especially when the administration of health insurance seems to be more important than the welfare of the individual. I have sought medical treatment in Richmond, Charlottesville, and Baltimore, and can assure you that even in the midst of fighting a life threatening disease, I have learned that I am my own best medical advocate.

The more I travel on the cancer train, the better prepared I have become both spiritually and emotionally. I have tried as much as possible to maintain normalcy, even taking five of my children with me to radiation treatments before beginning school each day.

When I reflect on the past year and the many bumps in the path, it isn't all bad. There are many gifts of life that I will celebrate long into the future. I will celebrate faith and the strength of prayer. God does not tell us that nothing bad will ever happen to us. He simply tells us that He will be there when it does; He tells us we are never alone. It probably doesn't come as a surprise to anyone who knows us that I have never felt alone, probably because I rarely am.

During illness, many people will sincerely say, "If there is anything I can do, call." It is the people who help without being called, who are the best gifts of all. St. Matthew's Church is home to many people who have done just that. I will forever celebrate the gift of church family and the countless acts of kindness.

I will celebrate the gift of friendship, remembering two of my dearest friends, Jane Brill and Starla Taylor. They were always at my home when I could not be and stepped in to care for my army of children. They lovingly

PLEASE SEND THIS ON . .

If you like what you see here in the *Productive Provider Newsletter*, please recommend and forward this newsletter to anyone that is interested in becoming more productive in his or her medical practice. Providers, billers and office managers alike are enjoying this publication.

If you are receiving this as a forwarded message, and you want your own FREE subscription, visit our web site and sign up on the "Site Mailing List" at www.mpecs.org.

prepared food, and carpoled. They understand children and knew what needed to be done and just how to do it.

I will celebrate the gift of Ray Brill, my pastor, who within ten minutes of my diagnosis, arrived ready to help. My sister who sent a "feel good" box advised that anything that made me feel good during this ordeal should be placed in the box and remembered on bad hat days. Friends, family, and church family have sent nearly three hundred cards collectively, and I have saved each one, and treasure the thoughts, and the caring hearts and the hands that sent them.

I will celebrate the gift of my husband who has also been challenged and honored a promise to be there in sickness as well as health.

I will continue to celebrate life as each day is a gift, and each life is a gift. In my home, there are many gifts, as nine children, the youngest still an infant, wake up each morning calling, "Mom." We need to collectively find a cure for cancer so that when my child, or any child calls "Mom," someone is there to answer.

Why not me?

3. Profitability.

When was the last time you saw a significant increase in the amount you collected from insurance companies on the billings you submit in behalf of your patients? You might be interested to know how some of the national insurance companies are doing. What amazes me is that we continue to hear that it is the providers that are causing medical costs to go up every year, yet most of us are locked into contracts with various insurance carriers that restrict the amounts we are paid for the work we do. So much for a free market economy.

In April, an Associated Press article reported that TennCare was cutting payments to eight of its managed care programs by about 10 percent. These cuts included a freeze on amounts paid to providers and hospitals. Also mentioned were plans to increase rates by 3 percent. (AP/The Tennessean, April 18, 2005)

In another part of the country, Florida's Office of Insurance Regulation reported that 2004 was the most profitable ever for HMOs in that state. Total profits were up 51 percent from 2003. (HealthLeaders Weekly, May 2005)

A Reuters News report in April reported that UnitedHealth Group Inc. posted a 41 percent increase in first-quarter earnings based on higher premiums and cost-cutting. Also reported was UnitedHealth Group Inc.'s compensation of their CEO, William McGuire.

His total compensation for 2004 was \$124,773,691. Yes, that is one hundred twenty four MILLION dollars and change.

Other executives in the company were also well compensated. Stephen Hemsley, president and COO, took home \$61.1 million; David Lubben, secretary and general counsel, \$9.2 million; David Wichmann, president and COO of UnitedHealthCare, \$8.8 million, and Robert Sheehy, CEO of UnitedHealthCare, \$6.7 million.

The headline for this article published on April 15, 2005 was "UnitedHealth Profit Up on Higher Premiums." I wonder how many providers of health care have tried to raise their rates and were unable to collect any additional revenues because of being locked into their contracts with insurance companies?

In the mean time, our costs of operating a practice continue to increase. Malpractice, rent, wages and taxes, everything.

As I speak and teach in various locations around the country, I continue to see a considerable amount of confusion on Evaluation and Management (E/M) codes. The MPECS Practice Profitability Workshop is helping to alleviate some of that confusion. Nearly everyone that attends one of these sessions has expressed their appreciation for the basic approach I have tried to use to teach this very difficult topic.

I am constantly looking for additional opportunities to present at conferences, teach at programs or schools and to present the MPECS Practice Profitability Workshop.

Your feedback is appreciated. If you haven't read the MPECS feedback page lately, it has some very telling comments about the MPECS message and our training. If there are some questions about E/M coding that I can cover in future issues of this newsletter, please ask them.

My final words of advice would be to remember that it is OK to work hard. Just be sure that you are getting paid what you should for your hard work. Don't short change your efforts and the value of what you do for your patients. It is valuable to them, and to you.

MARK YOUR CALENDARS

PRACTICE PROFITABILITY WORKSHOPS and LECTURES:

MPECS is dedicated to making your practice of medicine more productive, more profitable and ultimately more enjoyable. The comprehensive MPECS 4-hour **PRACTICE PROFITABILITY** workshop focuses on exactly what you need to know, the specifics of documentation and coding. If you ever find yourself questioning which E/M code you should use, you need this workshop!

MPECS workshops and lectures are now being scheduled for 2005.

UPCOMING MPECS WORKSHOPS;
Salt Lake City, UT September 24, 2005

CONFERENCE LECTURES;
SUNA Las Vegas, NV October 14, 2005

(www.sunavegas.org)

The MPECS web site lists the details for each **workshop** as it becomes available. Check back often. Register EARLY for significant workshop discounts.

If your state or local professional organization is looking for a unique and very informative conference topic, let us know. We'd be happy to be part of your next conference.