

# ***PERSONALLY SPEAKING***

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## **BIG BROTHER ESTABLISHES NEW MEDICAID/MEDICARE BILLING PROCEDURES**

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Acting on an Obamacare mandate, the federal government has devised new methodologies for health care providers seeking reimbursement from Medicaid. These new methodologies focus on the codes that are used to identify specific health care diagnoses such as fracture of the forearm and acute appendicitis. There are approximately 13,000 codes in the current edition of the coding book. Copies of that coding book and training materials are copyrighted and sold by OptumCoding.

The new coding book, which has an October 2014 compliance date, is much more detailed than the old one. To illustrate, the old book had one code for treating a burn on the arm. The new book has one code for treating a burn on the right arm and another for the left arm. The complexity in the system using the old coding book required physicians to hire a billing clerk or contract with an outside firm to handle billing. For the health care provider, the new coding book with 68,000 codes will only add to that complexity and expense.

The latest information from the BLS *Occupational Outlook Handbook* indicates that the median annual pay for billing clerks in 2010 was \$32,350. The BLS is forecasting a 21 percent increase in the number of jobs between 2010 and 2020. Professional certification may be required.

Known as the National Correct Coding Initiative, these new methodologies that apply to Medicaid reimbursement are of two types, and are intended to reduce the number of improper claims.

The first type involves procedure-to-procedure (PTP) edits to assure that certain combinations of codes are not reported for Medicaid reimbursement such as a standardized developmental screen that is performed on the same service date for the same patient as further developmental testing.

The second type involves medically unlikely edits (MUEs) to prevent claims that likely are incorrect such as claiming two gall bladder surgeries on the same service date that involve the same patient.

**For a Medicaid claim there are three PTP edit methodologies and three MUEs depending on health care provider: practitioners and ambulatory surgical centers; outpatient hospitals including emergency departments; and durable medical equipment suppliers.**

**PTP edits and MUEs are updated quarterly and are found online at the Medicaid National Correct Coding Initiative edit site. With 68,000 codes in the new coding book, consider the number and complexity of the PTP edit combinations and MUEs. Consider as well the possibilities for mistakes being made in setting up those PTP edit combinations and MUEs.**

**Health care providers who care for both Medicare and Medicaid patients encounter significant differences in the editing methodologies used by those programs. The Medicare edits are found online at a different site. Claims for reimbursement can be denied if the provider does not conform to the proper edit procedures.**

**Obamacare is telling providers that they may not be paid for services rendered or equipment provided if they do not align their practices to the edit norms from Washington that generate the PTP edits and MUEs. This further inserts Big Brother as a third-party in the treatment room replacing the doctor's hands-on judgment as to what is best for the patient with the long arm of federal government bureaucrats.**

**Two predictable consequences are likely to get even worse: more physicians closing their practices or refusing to take Medicare or Medicaid patients – just one factor contributing to the train wreck that Senator Baucus who helped write the Obamacare law sees coming in the days ahead. What will it take to re-align Obama's vision with the realities of the health care system that for all its complexity and technological change still remains one doctor treating one patient?**

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