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THE SPINAL COLUMN

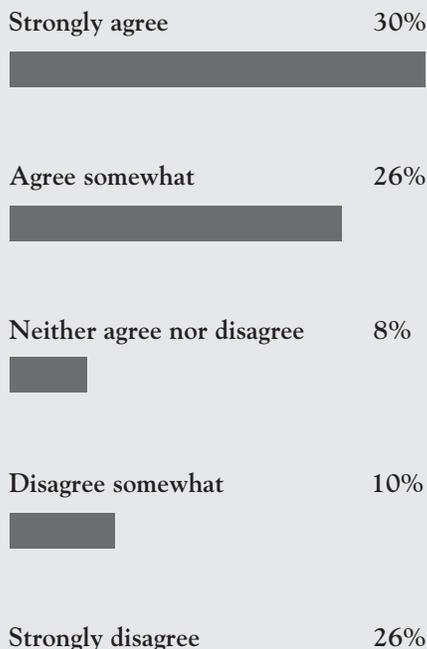
Winter 2013

IS YOUR PRACTICE LOSING MONEY; HERE ARE SOME REASONS WHY

By: Barbara Cataletto, MBA, CPC, Chief Executive Officer, Business Dynamics, Inc.

Most practices do not realize the amount of money that they are losing each year due to unidentified internal issues, or maybe they do to some extent. Many experts agree that facilities and practices could be losing money due to down-coding, denied charges, or even staffing. A recent poll created by Outpatient Surgery Magazine shows that 56% of staff members believe that their practice is leaving money on the table. When was the last time you did an audit for your practice?

My facility leaves money on the table because we don't maximize our reimbursement.



Number of respondents: 160

<http://www.outpatientsurgery.net/>

Down-coding

Choosing a billing code that is lower than the service provided is not an unusual problem in the medical field. Many physicians will down-code due to the fear of being audited or the physician not being fully knowledgeable of the billing process for E&M services. According to a study in Medical Economics, down-coding can cost a physician a minimum of \$40,000 in lost revenue each year. To ensure that you receive the maximum reimbursement possible on each claim, be sure to collect all the necessary documentation that you will need to support your case.

Denied Charges

If medical offices do not follow up on denials with an appeal then the practice is at risk of losing a large portion of their revenue. It is estimated that 30% of claims are denied on first submission and 60% of those claims are never resubmitted according to CMS. This lack of aggressive follow up by the staff to ensure that the practice is receiving their proper reimbursement by completing the appeals process causes a major problem in collecting all of the revenue due. Claims are denied for various reasons such as incorrect patient demographics, terminated insurance coverage, services that are not covered, pre-authorization of services, and timely filing. By keeping your staff accountable for every denial as well as keeping track of all pertinent information related to each claim, the overall financial stability of your practice will benefit.

Staffing

Having a large staff may not be helping your practice as it should, but instead costing you more money. You must make sure each employee is pulling their own weight. The process begins at the front desk and trails all the way through the collection department. So by the front desk staff collecting the patient information accurately and scheduling appointments smartly, the practice will

excel with a reasonable number of competent employees. If a patient is able to move quickly from the front desk all the way through to billing, physicians will be able to see more patients per day which in turn, will lead the practice to acquire higher revenue. According to a recent article in AAFP.org, approximately \$15,000 in annual losses will result in missing just one fee for service patient visit each day.

Conclusion

Although there are various reasons why your practice may not be obtaining the proper revenue, taking well planned precautions to ensure the financial success of your practice will make a drastic difference in the amount of revenue your facility accumulates. A way of overcoming these challenges and retaining your proper reimbursement is by setting productivity goals in each division of your practice. Know where you would like to be at the end of every month and set a goal for the staff to achieve in order to prevent any financial leaks that may occur.

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The Right Medicine is All in the Details - Stay Informed

“I learned that courage was not the absence of fear, but the triumph over it. The brave man is not he who does not feel afraid, but he who conquers that fear.”
- Nelson Mandela

A new wave of Medicine is here. New platforms of business will develop, such as the Accountable Care Organization, Insurance Exchanges, along with new policies which will affect us by way of taxes, levies and other hidden costs. We also know that there will be significant Medicare Cuts, already estimated to be as high as \$455 billion, with certainly more cuts to follow. Many of our practices and businesses have already been hit with higher rates of insurance for their staff, some as high as a 28% increase. Some practices have decided to leave the private small business arena for the “safety net” of corporate employment.

The levels of uncertainty continue to grow, but this is not the first time that our industry has gone through such dramatic change. Many of us have been through the development and execution of HMOs and PPOs. And if experience is truly the most severe of all teachers, we should be well educated on the need to navigate through the changes in our industry with purpose and a clear vision.

To that end, please remain vigilant and learn all you can about the affects of the Affordable Care Act on your practice and business now, and continue to read all of the literature available. Some in the medical industry have already jumped ship, and for those that have stayed, the need is great to remain fully aware of the choices and the impact they will make in our lives. We must not make the same mistakes we made in the '80s and '90s. Ignorance does not beget opportunity and opportunity may be a façade. Investigate your opportunities, your practice and your personal position to ensure that you are fully engaged and fully informed.

OUR MISSION

At The Business of Spine, our mission is to provide the Spine Industry with professional development, training and customized education through spine specific consulting services, training programs and educational tools.

We aim to raise the bar in the spine industry through increased business and financial awareness for all spine professionals, while promoting national compliance within industry and Federal standards.

Coding Concierge

Lumbar Combination Arthrodesis Changes, Have You Applied These Correctly?

Codes 22612 and 22630 - CPT 2012 changes have identified the bundling of these codes when performed together at the same level/interspace. Code 22633 and 22634 currently identify primary an additional level codes involving interbody and lateral infusions performed at the same level.

22633: Arthrodesis, combined posterior or posterolateral technique with posterior interbody technique including laminectomy and/or discectomy sufficient to prepare interspace (other than for decompression), single interspace and segment; lumbar (Do not report with 22612 or 22630 at the same level)

22634: Arthrodesis, combined posterior or posterolateral technique with posterior interbody technique including laminectomy and/or discectomy sufficient to prepare interspace (other than for decompression), each additional interspace and segment, lumbar (Do not report with 22612 or 22630 at the same level) (List separately in addition to code for primary procedure) (Use 22634 in conjunction with 22633)

In addition, codes 22614 or 22632 apply when an interbody or a lateral fusion (not a combination of both), are performed at any levels in addition to the combination codes 22633 and 22634, as opposed to utilizing the primary procedure codes 22612 or 22630. This is a significant shift in CPT policy in that you may not use a primary procedure code when a different procedure is performed at a subsequent or different level. If a case allows for combined fusion at one level, and an interbody lateral fusion performed at one level, then code 22633 would apply and for subsequent procedures including interbody fusion, the additional level code would be 22632. If the additional level involved a lateral fusion, the representative code to use would be 22614.

Current Procedural Terminology (CPT) is copyright 2011 American Medical Association. All Rights Reserved. No fee schedules, basic units, relative values, or related listing are included in CPT. The AMA assumes no liability for the data contained herein. Applicable FARS/DFARS restrictions apply to government use.

"Looking Ahead - 2013 RVU's It's Impact on Spine Reimbursement"

We have survived 2012 and, hopefully, with minimal financial damage, as you now focus on ways to improve both your practice and business portfolio. The year 2012 certainly had some devastating financial changes relative to coding for the most complicated spine procedures. There were several coding changes that affected even the simplest of procedures in spine, such as the changes in the discectomy. These coding changes forced practices to reeducate themselves in order to remain compliant, while the payors still have difficulty processing the coding applications. It is important to remain diligent and follow through to get all of your entitled reimbursement.

Speaking of reimbursement, there was certainly the opportunity to fall over the spine fiscal cliff with the dramatic reductions in RVU's, as well as the bundling of procedures that forced a huge reduction in billable codes for spine cases. Maintaining the necessary revenue for your practice has become much more difficult for sure. Couple that with the difficulties in obtaining preauthorization for cases, particularly for fusion, and there was certainly a medley for frustration.

We did a quick run through of the RVU's presented by one of the Medicare Fiscal Intermediaries and noted some changes that hit the spine rates. Be sure to review your RVU's for the practice locale to update your records. This will impact your Medicare reimbursement as well as the contractual rates paid by the private carriers that are tied to the current Medicare Rate. We did not remain flat, and note there were reductions in add on codes and instrumentation codes while primary fusion codes reflected a slight increase, including lateral, interbody, and deformity fusion codes. The combination fusion codes have been decreased for both the primary and additional level procedures. Removal of instrumentation procedures saw a slight increase, but that is not really helpful if it is performed with an insertion of a new construct, as they are bundled. Unfortunately, the insertion of new instrumentation codes have had another decrease.

Reimbursement Education for the Spinal Implant Representative

April 16, 2013 • New York, NY

This series provides the spinal implant representative with the resources and tools needed to expand their knowledge of spine coding, and reimbursement issues with topics including Understanding the Hospital Revenue Track, Understanding the Physician's Revenue Track, DRG Classifications 2013 and many more.

\$595 per person. Contact us for group rates.

Contact us for more information, or to register at:
<http://thebusinessofspine.com/public/screens/s2.htm>
 contact@thebusinessofspine.com
 888 337 8220, Option 7

CPT Code	Percent Change
22800	0.86%
22802	0.04%
22804	0.06%
22808	0.57%
22810	0.28%
22812	0.64%
22818	1.74%
22819	0.32%

CPT Code	Percent Change
22600	1.15%
22610	1.23%
22612	0.44%
22614	-1.02%
22630	0.66%
22632	-0.91%
22633	-0.49%
22634	-1.02%

CPT Code	Percent Change
22849	0.33%
22850	1.21%
22852	1.37%
22855	0.64%

CPT Code	Percent Change
22840	0.91%
22842	0.95%
22843	0.86%
22844	1.01%
22845	0.89%
22846	0.90%
22848	1.11%
22851	0.89%

Decompressions have seen a minimal increase in the primary procedure codes, while add on codes took a hit for anterior, posterior and lateral procedures.

CPT Code	Percent Change
63030	0.64%
63035	0.95%
63040	0.15%
63042	0.57%
63043	0.00%
63044	0.00%
63045	0.58%
63046	0.67%
63047	0.87%
63048	0.69%

CPT Code	Percent Change
63081	0.29%
63082	0.95%
63085	0.04%
63086	1.68%
63087	0.18%
63088	0.86%
63090	0.35%
63091	0.83%
63101	0.15%
63102	0.27%
63103	0.88%

As important changes take place in healthcare for the spine professional, look for our Coding Advisories via email alerts.

Secure Your Success with a Major in Spine

Revenue Cycle Dynamics for the Spine Reimbursement Specialist

The exclusive training program of Business Dynamics RCM:
 The Leaders in Spine Revenue Cycle Management

April 17-19, 2013 • New York, NY

April 17, 2013 - The Foundation

Anatomy, Disease and Procedures Explained, Coding, Modifier Application.

April 18, 2013 - The Framework

Coding Work Sessions, Operative Report, Advanced Modifier Calculations, Auditing Process, Medical Policy Guidelines and Your Reimbursement.

April 19, 2013 - The Fusion

Appeals Process, Current Industry Controversies, with work sessions that "fuse" learning with real life cases.

Presented by:

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 Chief Executive Officer Medical Director

Guest Speaker:

Nicola Hawkinson, DNP, RN, RNFA
 CEO of Spine Search

\$595 per day, \$1,495 for all three days

Contact us for more information, or to register at:
<http://thebusinessofspine.com/public/screens/s1.htm>
 contact@thebusinessofspine.com
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THE BUSINESS OF SPINE

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CODING UPDATE INSIDE

About Us

Since its inception in 1998, **Business Dynamics** has emerged as a leading spine coding and medical reimbursement firm serving spine practices, spine product manufacturers and numerous organizations throughout the United States. Based in New York and Texas, **Business Dynamics** continues to successfully seek new ways to develop and expand knowledge within the spine industry to ensure maximum reimbursement for the spine specialist.

In order to fill the void in training and education for the spine professional, **Business Dynamics** developed **The Business of Spine**, our spine specific education and consulting company. With over 20 years of experience in the field of spine coding and reimbursement, **The Business of Spine** brings the business mindset into focus by combining many years of spine coding knowledge and experience to assist clients in maximizing reimbursement and increasing office efficiency.

The Business of Spine provides a full range of spine-specialized consulting services performed by seasoned experts in Practice Management, Spine Coding & Billing, and Hospital Financial Management. This extensive list offered to spine specialists nationally includes **Claims Review and Audit Services**, **Comprehensive Billing Office Assessment**, **"The Spinal Cord"**, a hotline service offering real time coding advice, along with onsite educational **Lectures and Seminars** for Physicians, Facilities, and Manufacturers.

The Business of Spine's Revenue Cycle Dynamics for the Spine Reimbursement Specialist educational series provides the spine professionals with resources and tools needed to expand their knowledge of spine coding, collection, and appeals issues, allowing career advancements and providing stronger support to the spine business.

Our **Spinal Column Newsletter** and **Coding and Reimbursement Advisories** offer updates for our clients as changes occur in the realm of spine coding and reimbursement in response to state, federal, or insurance commission legislation.

For more information, log onto www.thebusinessofspine.com or call us at 888-337-8220 #7