



Practice Management Services Offered

Personnel Management:

- o Organizational structure
- o Personnel policies
- o Job descriptions
- o Staffing levels and utilization

Office Management:

- o Patient flow and appointment scheduling
- o Provider/staff productivity
- o Operational systems
- o HIPAA gap analysis, compliance plan and staff education.

Financial Management:

- o Monthly report analysis, utilization, and education
- o Fee schedule analysis and maintenance.
- o Accounting procedures
- o Expenditure reviews with suggestions
- o Billing and collection policies with education
- o Internal control systems with policies and procedures

Marketing:

- o Practice demographics
- o Marketing with a plan of action

Financial Analysis:

- o Coding analysis - benchmarking
- o Payor mix
- o Fee schedule and maintenance

Education:

- o Internet and data base utilization
- o Medical coding, documentation training and review
- o HIPAA, OSHA and customer service relations

Workshops:

- o Front Office Presentations
- o HIPAA Privacy and Security
- o Evaluation & Management Coding

Mark your calendar:

07/28/07: **Diabetes Diversity Day** - Columbus, GA

www.threeriversahec.org/calendar

09/04/07-09/07/07: **Georgia Public Health Association 78th Annual Conference** - Savannah, GA www.gapha.org

09/17/07-09/19/07: **Georgia Rural Health Association Annual Conference** - Athens, GA www.garuralhealth.org

09/21/07-09/23/07: **GA Society of Gastroenterology Nurses & Associates** - Columbus www.georgiasgna.com
www.threeriversahec.org/calendar

From Start Up to Fix Up!!

Medical Providers – Tax Breaks for 2007

IRS Section 179

Acquire capital equipment in 2007 and you are most likely able to deduct up to \$125,000! Capital leases qualify for a tax deduction when equipment is placed in service during 2007. Any excess above the allowable deduction can be depreciated over 5-7 years depending on the type of equipment. Additional amounts may be expensed based upon applicable depreciation schedules.

IRS Section 44

This Disabled Access Credit allows you to take a tax credit for costs incurred in making your premises accessible to disabled persons. Up to \$5,000 can be taken against your 2007 tax liability if you have eligible expenses over \$250, but not more than \$10,250.

DRG Updates: CMS Proposes 207 New Severity-adjusted Codes

The CMS in its proposed rule on inpatient hospital services for fiscal 2008 is proposing to create 745 new severity-adjusted diagnosis-related groups to replace the current 538 DRGs. Overall, payments under the inpatient prospective payment system to hospitals would increase by an average of 3.3% in fiscal 2008 for those hospitals that report quality data to the CMS, though hospitals' payments will vary depending on the patients they serve.

Read more at modernhealthcare.com

Patient Safety Incidents Continue to Rise

According to a new HealthGrades study of 40.56 million Medicare hospitalization records over the years 2003 to 2005:

- Patient-safety incidents continue to rise in American hospitals, with 1.16 million preventable patient-safety incidents occurring over the three years studied among Medicare patients in the nation's hospitals, an incidence rate of 2.86 percent.
- 247,662 deaths were potentially preventable over the three years, and Medicare patients who had one or more patient-safety incidents had a one-in-four chance of dying.
- The excess cost to hospitals was \$8.6 billion over three years, with some of the most common incidents proving to be the most costly.
- Ten of the 16 patient-safety incidents tracked worsened from 2003 to 2005, by an average of almost 12 percent, while seven incidents improved, on average, by six percent. Patient-safety incidents with the greatest increase in incident rates were post operative sepsis (34.28 percent), post-operative respiratory failure (18.70 percent) and selected infections due to medical care (12.23 percent).
- Patient-safety incidents with the highest incidence rates were decubitus ulcer, failure to rescue and post-operative respiratory failure. Source: HealthGrades, April 2, 2007. www.healthgrades.com

Upcoming Financial Healthcare Seminars

As President of the West Central Georgia Medical Managers Association (WCGMMA), I would like to invite you to visit our Columbus, Georgia, Chapter "Lunch and Learn" educational meetings. On August 14, 2007, ValorMD, Professional Liability Insurance, will present "Risk Management Concerns" and on October 10, 2007, the WCGMMA Chapter will have a full day mini-fair with 15 – 20 exhibitors and Georgia representatives from our largest third party payers in the state. WCGMMA Board Members plan to make every October a full-day for "Georgia's Largest Third Party Payers." For further information concerning the Columbus Chapter, affiliated with Georgia GMGMA, please call me directly, Peggy LaMee, CPAM, office 706-660-2736, cell 770-313-9061 or e-mail me at plamee@threeriversahec.org. Also, I am a Practice Management Specialist and would appreciate the opportunity to assist you with your personal office analysis (fees are based upon a sliding fee scale).

Georgia Code – Charging for Medical Records

Resource: Georgia Code at law.onecle.com/georgia/31/31-33-3.html

(a) The party requesting the patient's records shall be responsible to the provider for the costs of copying and mailing the patient's record. A charge of up to \$20.00 may be collected for search, retrieval, and other direct administrative costs related to compliance with the request under this chapter. A fee for certifying the medical records may also be charged not to exceed \$7.50 for each record certified. The actual cost of postage incurred in mailing the requested records may also be charged. In addition, copying costs for a record which is in paper form shall not exceed \$.75 per page for the first 20 pages of the patient's records which are copied; \$.65 per page for pages 21 through 100; and \$.50 for each page copied in excess of 100 pages. All of the fees allowed by this Code section may be adjusted annually in accordance with the medical component of the consumer price index. The Office of Planning and Budget shall be responsible for calculating this annual adjustment, which will become effective on July 1 of each year. To the extent the request for medical records includes portions of records which are not in paper form, including but not limited to radiology films, models, or fetal monitoring strips, the provider shall be entitled to recover the full reasonable cost of such reproduction. Payment of such costs may be required by the provider prior to the records being furnished. This subsection shall not apply to records requested in order to make or complete an application for a disability benefits program.

(b) The rights granted to a patient or other person under this chapter are in addition to any other rights such patient or person may have relating to access to a patient's records; however, nothing in this chapter shall be construed as granting to a patient or person any right of ownership in the records, as such records are owned by and are the property of the provider.

31-33-8.

(a) Notwithstanding any other provision of the law to the contrary, any provider may, in its sole discretion, create, maintain, transmit, receive, and store records in an electronic format within the meaning of Code Section 10-12-3 and may, in its sole discretion, temporarily or permanently convert records into an electronic format.

(b) A provider shall not be required to maintain separate tangible copies of electronically stored records.

(c) The other provisions of this chapter shall apply to electronic records to the same extent as those provisions apply to tangible records. This Code section is subject to all applicable federal laws governing the security and confidentiality of a patient's personal health information.

(d) A tangible copy of a record reproduced from an electronically stored record shall be considered an original for purposes of providing copies to patients or other authorized parties and for introduction of the records into evidence in administrative or court proceedings.

(e) Except as provided otherwise under federal law, upon receiving a request for a copy of a record from a patient or an authorized person under Code Section 31-33-3, a provider shall provide copies of the record in either tangible or electronically stored form.

Medicaid on a National Level

Currently details requiring Medicaid providers to use "tamper-resistant" prescription pads by October 1, 2007, are sketchy and unknown by physicians and pharmacists. According to a publication in the Washington Post, pharmacists' groups have asked lawmakers and the Centers for Medicare and Medicaid Services to delay putting the law in place. The law is designed to make it harder for patients to obtain controlled drugs illegally and will reduce expenses presently paid by government funds. On the other hand, concerns for Medicaid patients' access to needed medicine, increased emergency room visits; hospitalizations and excessive visits to physicians will be more expensive to government funded programs. The National Association of Chain Drug Stores and the American Medical Association agree that the implementation timetable is too short to educate prescribing physicians about the new law and will be costly to produce. Tamper-resistant pads often contain a chemical that reveals when efforts have been made to alter the paper; such as heat from a copier may cause the word "void" to appear or pre-printed serial numbers may require pharmacy to physician verification of the doctor's order. Watch for updates on this topic as physicians and pharmacies may encounter prescription problems without knowing they are breaking the law.

Hospital Executive Rankings of Hospital Issues/ Priorities

	Overall Rank
Reimbursement from government payers	1
Clinical Quality	2
Government regulations	3
Reimbursement from commercial payers	4
Uncompensated care	5
Nurse staffing - general or specialty	6
Physician Staffing - general or specialty	7
Managed Care contracting	8

Source: Publication: *What works: Healing the healthcare staffing shortage*, PricewaterhouseCoopers' Health Research Institute, June 2007 www.pwc.com/hri



- Practice Management From Start Up to Fix Up
- Practice Development
 - Financial Analysis
 - Office Administration
 - Compliance Programs
- Recruitment Matching the Right candidate to the Right practice.
- Physicians

How to Order:

Monday through Friday from 8:30am-5:00pm ET
 Call 706-660-2499 or contact us at www.threeriversahec.org

Recruitment and Retention Contacts:

Kari Dyer, Placement Services Coordinator (706) 660-2847
 Peggy LaMee, CPAM, Practice Mgmt Specialist (706) 660-2736
 Kathy Ellis, Center Director (706) 660-2730

Our mission is to increase access to quality healthcare in rural and medically underserved areas by recruiting, training, and retaining healthcare professionals.

Medicare will Allow Physicians/Suppliers to Charge for Missed Appointments

CMS Change Request #5613 is available at: <http://www.cms.hhs.gov/Transmittals/downloads/R1279CP.pdf>
Medicare does not make payments for missed appointments fees/charges that are imposed by physicians, providers or other suppliers; therefore, Medicare should not be billed. Medicare will deny claims billed for missed appointments with Reason Code 204 (This service/equipment/drug is not covered under the patient's current benefit plan.) Effective October 1, 2007, the Centers for Medicare and Medicaid Services will allow the billing of Medicare missed appointments to Medicare patients directly as private pay as long as all patients (Medicare and non-Medicare) are billed for missed appointments. Hospital can bill for out-patient missed appointments provided all patients are billed equally. Prior to implementing this practice, the provider should:

- * Have a written policy on missed appointments that is provided to all patients. (Write into your financial policy and have patients sign the policy.)
- * Ensure by verifiable procedures that all patients are charged equally.
- * Ensure that billing staff members are aware that Medicare and all other patients should be billed directly.
- * Written policies and communication must denote that charges are for a missed business appointment and not the cost of services meaning the fee should differ from the office visit fee.

Humana Issues Individual Plan Policies

Humana announced the rollout of individual health insurance plans into six new states as of May 2007. Currently, Humana issues individual plans in 11 states under the Waukesha-based (NYSE:HUM) brand of HumanaOne covering more than 180,000 health plan members. The company plans to introduce the new product portfolio in all 26 states where Humana operates by early 2008. Georgia is not one of the existing 11 states; will Georgia be in the 26 states? Yes, Georgia was listed with brief information on the HumanaOne web home page but access to information was denied at this time. HumanaOne will offer three in-network co-insurance levels and 17 annual deductible choices organized into three packages to choose from based upon personal preference, lifestyle and budget.

Source: The Business Journal of Milwaukee

Statistics from the National Health Service Corps Health Centers

The national network of 952 federally approved community health centers serves more than 14 million poor and uninsured patients who otherwise might go without prenatal care, cancer screenings, diabetes treatment and a long list of other services. But rising demand for their services underscores their limitations.

Since 2000, the Bush administration and Congress have nearly doubled annual spending on community health centers to almost \$2 billion. Over the same period, the number of centers has increased by more than 200 and the number of patients they treat has risen by 4.5 million, or 53 percent.

Even with this increase, family practitioners, pediatricians and obstetricians-gynecologists are in short supply, especially in urban neighborhoods and rural towns where the centers are located. There are more than 2,500 clinical vacancies at the community health centers across the country, according to National Health Service Corps (NHSC) statistics.

Source: <http://www.healthleadersmedia.com> and <http://nhsc.bhpr.hrsa.gov>

Additional ways Three Rivers Area Health Education Center can serve you ...

If you are a healthcare professional:

- * Access to continuing education programs, learning resource materials, and training in electronic access to medical information
- * Assistance in recruiting and retaining staff
- * On-site practice management consultative services

If you are interested in a health career:

- * Information about health careers that are in demand and fit your interests, aptitude and personality along with the educational requirements for those careers
- * Health career fairs and camps

If you are a community leader concerned about healthcare access in your community:

- * Assistance in recruiting and keeping qualified healthcare professionals to improve the community quality of life—a key factor in attracting new residents, businesses and industries.



P.O. Box 5787
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Practice Management: *Fast Facts and Quick References* Summer 2007



Professional Paper Claim Form – CMS 1500 (08-05)

The National Uniform Claim Committee (NUCC), a consortium of representatives from health care providers and insurer organizations, is responsible for the maintenance of the CMS-1500 form. CMS does not furnish the form to providers for claims submission. CMS-1500 forms can be purchased from a variety of local and national suppliers. Only forms printed using Flint OCR Red, J6983, (or exact match) ink can be accepted for processing by CMS. Medicare paper claims are electronically read by Optical Character Recognition (OCR) equipment which allows “drop out” ink. The Paperwork Reduction Act and the use of OCR equipment with “drop out” capability allows only data content on the form to be read and transferred into a format for automated processing by Medicare systems. As of June 29, 2007 the CMS-1500 (08-05) will be the only CMS-1500 professional form processed by Medicare. Claims received on the “old” CMS-1500 (12-90) form after June 29, 2007 will reject and will be returned to the provider for re-processing on the CMS-1500 (08-05) form. The new CMS form was created to comply with the NPI requirement of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Refer to the CMS – Medicare Claims Processing Manual (Pub. 100-04), Chapter 26, to learn of completion, coding instructions and print specifications for the CMS-1500 (08-05) billing form and for proper form locations to use the required NPI.

Practice Management Mission

Three Rivers' Practice Management goal is to help serve all Primary Care Physicians and Physician Practices in our Three Rivers AHEC area. We offer a wide variety of technical assistance; our fees are based upon Medicare / Medicaid patient population of your office, if you are a medical teaching preceptor, and if your office is located in a Health Professional Shortage Area. Call 706-660-2736 for consultation services or for workshops tailored to your specific educational needs.

Our mission is to increase access to quality health care in rural and medically underserved areas by recruiting, training and retaining health care professionals.

For more information on our services or if you would like to be on our mailing list for upcoming programs and newsletters, please call 706-660-2499 or log on to our website at www.threeriversahec.org