LakeCounty
Health Department and
Community Health Center

CORPORATE POLICY

SUBJECT: Billing and Collection for Medical, Dental, and Behavioral Health Services	CATEGORY: Finance ORIGINAL DATE: November 29, 2011 REVIEWED DATE: May 24, 2017 REVISION DATE: April 15, 2020

I. POLICY:

Lake County Health Department and Community Health Center (LCHD/CHC) employees will apply all relevant regulations and requirements regarding billing and payment collection for behavioral, dental, and medical services rendered. These include not knowingly and willfully making, or causing to be made false, a statement or representation of material fact in an application for benefits or payments, and not knowingly or willfully concealing or failing to disclose the occurrence of an event affecting the right to payment with the intent to secure payment that is not due.

The LCHD/CHC does not allow improper billing activities, including but not limited to the following:

- Claiming reimbursement for services not rendered.
- Filing duplicate claims.
- Over/Up-coding to more complex procedures than were performed.
- Under/Down-coding to less complex procedures than were performed.
- Misrepresenting the health care professionals who attended a procedure or service.
- Claiming reimbursement for services not medically necessary.
- Failing to provide medically necessary services or items.
- Claiming reimbursement for excessive charges.

II. SCOPE:

All LCHD/CHC employees who provide behavioral, dental, and medical services and, in addition, billing, coding, patient access, intake and all management of these staff.

III. PROCEDURE:

A. All medical billing claims properly supported by documentation and medically necessary shall be submitted for payment. Coding information contained on the encounter form or submitted by the provider shall not be modified on the claim form without review and approval by the appropriate coding staff and/or provider. The following is required by staff to generate claims:
   1. The intake staff or patient access center (PAC) registers the patient at the time they present for a visit or when they call the PAC and their demographic, insurance eligibility and financial information is verified. The patient's payment eligibility is verified the day before the visit, if possible. If the patient has no third-party payer or insurance, the *Fees for Medical, Dental, and Behavioral Health Services, Sliding Fee Discounts* and *Adjustments* policies are used to determine if a sliding fee is applicable or if the patient could be assisted by the Navigators.
   2. Grants will be utilized as the payer of last resort. Before any patient services are billed to a grant the patient must complete the application for the sliding fee or

grant registration process to determine eligibility (examples of grants: IBCCP, Ryan White, and certain DHS grants).

3. Private pay patients are asked to pay a minimum fee, if applicable, for their services at the time of their visit. If the patient has an account balance, they may be asked to make a payment or to be placed on a budget payment plan.
4. The provider enters the services performed in the electronic medical records system (NextGen) or, for certain programs, on an encounter form. The data entered in the electronic medical records system or the encounter form should be completed within 72 hours. For certain programs, the encounter form is given to clerical staff to enter in to the billing system (NextGen) within 72 hours. The data entered in the practice management system is reviewed by charge passing staff, site designated staff or coding staff.
5. The Office Manager or designee runs claim edit and other audit reports at the end of the day to verify the accuracy of information entered in the billing system.

B. The following process is required by the Central Billing Office for claims to be billed and payments collected:
   1. Fees charged for services rendered are updated annually and are based on an analytical process as described in the fee policy. The fee schedule is then updated in the electronic payment management system (NextGen) by Finance staff and verified by the Finance and Billing Manager.
   2. The billing process is primarily automated through a business background processor in the NextGen system which creates a file to be uploaded to the clearinghouse. The Electronic Billing Specialist uploads the claims file to the clearing house daily. The clearing house performs an edit process that verifies the claims for compliance and submits them to the payers for adjudication.
   3. The weekly process of sending private pay patient statements is for any balance greater than $5.00. The statements are separated by transaction date, so they are done weekly, but the patient receives only one statement per month.
   4. Patients on a budget payment plan are processed and reviewed separately by patient accounts office staff. These statements replace the private pay statements and are sent out daily or based on the timeframe agreement with the patient.
   5. Payments are sent electronically and through the mail to the Finance Office. Payments are posted daily, either electronically or manually, to the patient accounts.
   6. Rejected third party claims are reviewed, corrected and re-submitted by designated billing staff assigned to that payer.

C. Educational and training sessions:
   1. Employees attending a formal training session will have to either register electronically or via a training sign-in sheet.
   2. Training information will be provided for any significant billing or system changes.
   3. Billing and coding staff will be educated and knowledgeable on medical billing guidelines and medical necessity as per their job descriptions.

D. Auditing:
   1. Auditing and monitoring shall be done periodically by either an internal auditor or an external auditor to assess the billing and coding of claims submitted by providers on a regular basis. This auditor shall have expertise in billing, coding, reporting and other requirements for the services we provide. The audit will focus on risk areas identified by Federal, State, and local units. Training information will be provided for any significant billing or system changes.
   2. The audit shall be based on a sample of items statistically valid and randomly selected.
   3. The LCHD/CHC shall maintain material/records pertaining to auditing and monitoring activities. The results may be made available for review by Federal, State, and local units upon request for verifying audit activities and results.

E. Overpayments:
   1. Overpayment is defined as the amount of money the agency has received in excess of the amount due and payable by Medicare, Medicaid or another third-party payer. In the event an overpayment of more than $1,000.00 to a single patient or payer is identified, the Corporate Compliance Officer shall be notified immediately and will decide if qualified legal counsel should be contacted.
   2. A voluntary refund will be initiated when the agency discovers a billing problem that affects a specific group of claims and has resulted in overpayment of those claims. The Compliance Officer shall be notified immediately and will consult with the Director of Finance and, if appropriate, legal counsel to determine if a billing issue exists and, if so, to initiate corrective action.
   3. Corrective action may include but need not be limited to: correction of the defective practice or procedure as quickly as possible; calculation and repayment of duplicate or improper payments to the appropriate payer or fiscal intermediary/carrier; a program of education initiated with appropriate employee(s) to prevent similar issues in the future.

IV. REFERENCES:

Fees for Medical, Dental, and Behavioral Health Services, Sliding Fee Discounts and Adjustments Policy; Charge Corrections, Write Offs, and Encounter Adjustments to the Payment Management System Policy.

V. AUTHORS/REVIEWERS:

Finance and Business Office Management, Corporate Policy and Procedure Committee, Executive Team, Executive Committees of the Board of Health and Governing Council.

VI. APPROVALS:

Lake County Health Department and Community Health Center Executive Director

Signature: _____ Date: MAY 5, 2020