CMA California Medical Association

CPR

CMA Practice Resources (CPR): Tips & tools from the experts in CMA's Center for Economic Services

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CMA resources

When you see this icon, that means there are additional resources available free to California Medical Association (CMA) members at the CMA website. To access any of these resources, visit www.cmanet.org/ces.

CMA On-Call

Throughout this publication, you will find references to "CMA On-Call" documents. On-Call is an online library that contains over 4,500 pages of medical-legal, regulatory, and reimbursement information.

On-Call documents are available free to CMA members at www.cmanet.org/member. Non-members can purchase On-Call documents for $2 per page in the CMA bookstore, www.cmanet.org/bookstore.

CMA Center for Economic Services
1201 J Street, #200, Sacramento, CA 95814
economicservices@cmanet.org • 916/551-2061

CMA Practice Resources (CPR) is a free monthly bulletin from the California Medical Association's Center for Economic Services. This bulletin is full of tips and tools to help physicians and their office staff improve practice efficiency and viability.

SUBSCRIBE NOW: Sign up for a free subscription at www.cmanet.org/news/cpr.

SPREAD THE WORD: Please forward this bulletin to your coworkers and colleagues.

BREAKING NEWS: For breaking news, subscribe to CMA's biweekly member newsletter at www.cmanet.org/news.

Unfair Payment Practice: Unreasonable requests for medical records

California law prohibits health plans from requesting from physicians more information than is reasonably necessary to determine whether services are covered and medically necessary. With regards to prior authorizations, a plan may only request information that is reasonably necessary in order to determine whether to approve, modify, or deny a request for authorization.

"Reasonably relevant information" means the minimum amount of information generated by or in the possession of a provider related to the billed services that enables a claims adjudicator with appropriate training in accurate claims processing to determine the plan's liability for the claim (28 C.C.R. §1300.71(a)(10).).

Payors that request more than the minimum information reasonably necessary to adjudicate a claim or that make unreasonable demands for documentation, including duplicate requests for information previously provided by the physician, should be reported to both the appropriate regulator and to the California Medical Association. For more information on filing a formal complaint with a regulator, see the May 2010 issue of CPR.

TIP: Health plan requests for medical records should be documented and tracked in your practice management system and reviewed on a regular basis to identify medical records requests that are not consistent with state and federal laws.

CMA RESOURCE: CMA On-Call document #1170, "Health Plan Access to Medical Records," #1070, "Managed Care Contractual Protections," #1051, "Physician Complaints About Managed Care Plans."

Report unfair payment practices

The California Medical Association (CMA) is fighting on your behalf to curb abusive practices by third party payors. Our goal is to not only enact meaningful laws, but to make sure that these laws are enforced by state regulators.

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Unfair payment practices include, but are not limited to:

- Improper denial or delay in payment of a claim
- Failure to acknowledge receipt of a claim
- Underpayment
- Dispute resolution difficulties
- Untimely requests for refunds
- Unilateral contract amendments

For a list of prohibited unfair payment practices, see "Know Your Rights: Identify and Report Unfair Payment Practices," which can be downloaded from CMA's members-only website at www.cmanet.org/ces.

Blue Cross provides clarification on upcoming policy change

As previously reported in the July 2010 issue of CPR, Anthem Blue Cross notified contracting physicians in May of impending changes to its Prudent Buyer Participating Physician Agreement. Physicians are reminded to carefully assess the impact these contract changes will have on their practices.

One of the changes announced in the notice addresses how Blue Cross will reimburse certain services when performed during the global surgical period. Specifically, the notice stated CPT codes 10060, 10061, 10140, 10160, and 10180 would no longer be eligible for separate reimbursement when performed during the global post operative period of the related surgical procedure (page 2 of the notice). Previously, appending modifier -78 to these codes would bypass the edit.

After receiving questions from physicians, the California Medical Association (CMA) inquired further with Blue Cross' medical director and learned that the new edit only applies when these services are performed in the physician's office (place of service 11). At CMA's request, Blue Cross has provided written clarification on the matter. A copy of the letter can be downloaded at www.cmanet.org/ces.

Claim your share of the $350 million UnitedHealth settlement

Don't miss the chance to claim your share of the $350 million UnitedHealth Group settlement. The settlement is the result of a class action lawsuit, initially filed in 2000 by the American Medical Association (AMA), and other health care provider and patient groups, alleging that United conspired to defraud consumers by manipulating out-of-network reimbursement rates, and shortchanging physicians and patients by hundreds of millions of dollars, over the past 15 years.

The deadline to submit claims for payment from the settlement fund is October 5, 2010. Physicians are eligible to file for damages if they provided covered out-of-network services or supplies between March 15, 1994, and Nov. 18, 2009, to patients covered by UnitedHealth or its subsidiaries, including PacifiCare. Physicians may recoup underpayments for out-of-network services provided to PacifiCare subscribers at any time during the class period, even before PacifiCare became a subsidiary of United.

Physicians will be paid based on their total "recognized loss" between 1994 and 2009, which is calculated based on the difference between a physician's billed amount and the

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CMA Advocacy at Work

"The CMA provides critical resources to small private practice providers that would otherwise be too costly or difficult to obtain. Exceptional client service, dedicated "provider advocates" and outstanding results is just the beginning when it comes to describing the team at the CMA Center for Economic Services. Running a specialty eating disorder facility in Southern California, we are often confronted with insurance companies that seem to have limited knowledge regarding their clients' benefits relating to mental health but have proven knowledge when it comes to denying, delaying, and avoiding provisions and payments for medically necessary services. The CMA team has demonstrated time and time again that they possess the skills and talents to facilitate the insurance companies addressing claims payment oversights (from unintentional practices to AB1455 abusive payment practices) while preserving the professional and clinical relationship between the patient and physician. In the current health care system, it is frequently not enough for the provider to have the paperwork in order (contracts, authorizations, clean claims, etc.) The CMA can provide an avenue to resolution even when it seems all but impossible. That is why we are so appreciative of the CMA team and their exceptional performance. Thank you all."

Jeffrey Mar, M.D., FAAP
CMA member since 2007

Problems getting paid?

The California Medical Association's Center for Economic Services provides direct reimbursement assistance to CMA physician members and their office staff.

- **REIMBURSEMENT HELP LINE 888/401-5911**
  - One-on-one educational and reimbursement assistance to physician members and their staff
- **PRACTICE EMPOWERMENT**
  - Tools and resources to empower physician practices
  - Seminars and toolkits for physicians and their staff
- **EXPERIENCED STAFF**
  - Staffed by practice management experts with a combined experience of over 125 years in medical practice operations

To access our reimbursement advocates, your physician must be a CMA member. For membership information, contact CMA Member Services at 800/786-4CMA (4262) or memberservice@cmanet.org.

"allowed amount" that United actually paid for covered out-of-network services. If the total amount of submitted claims exceeds the settlement fund, physicians will receive a pro rata share based on their total recognized loss.

United has submitted data to the claims administrator showing all the payments it made (i.e., the allowed amounts) for covered out-of-network services during the timeframe covered by the settlement. Physicians can request a copy of their own claims data from the claims administrator by completing a "Claims Information Request Authorization Form," which can be downloaded at www.cmanet.org/settlements.

A hearing to determine final approval of the settlement is scheduled for September 13, 2010, in U.S. District Court in New York.

For more information about the settlement, and what physicians need to do to claim their share, visit the California Medical Association's settlement resource center at www.cmanet.org/settlements. There physicians can find CMA's United Healthcare/Ingenix Settlement Guide, claim forms, and a number of other helpful resources.

Contact: Samantha Pellon, 916/551-2872 or spellon@cmanet.org.

Medicare audits find improper use of new patient codes

The Center for Medicare & Medicaid Services (CMS) Recovery Audit Contractor (RAC) program was designed to identify fraud and waste in the Medicare system by identifying improper payments made for health care services provided to Medicare beneficiaries.

The California Medical Association (CMA) has learned that many RAC overpayments are being assessed because new patient office visit codes are being used instead of established patient office visit codes. A "new patient" is someone who has not within the previous three years received any face-to-face professional services from the same physician or a physician in the same group practice with the same specialty. An interpretation of a diagnostic test, such as the reading of an x-ray or EKG, in the absence of another face-to-face service with the patient does not affect the designation of a new patient. For more information, see CMS IOM Manual 100-4, Chapter 12, Section 30.6.7 (http://www.cms.gov/manuals/downloads/clm104c12.pdf).

CMA RESOURCE: CMA On-Call document #0629, "The Medicare Recovery Audit Contractor Program."

Data entry error results in underpayment of TriWest vaccines

In early July, the California Medical Association (CMA) began receiving reports from physicians about a sudden decrease in payments for the RotaTeq vaccine (CPT 90680). Physicians reported that beginning with May 1 dates of service they saw their rates drop from $70/dose to $35/dose, which didn't cover the cost of the vaccine. CMA reached out to our contacts at TriWest and asked them to investigate.

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Ask the Expert: Health plan requests for medical records

QUESTION: My office called a health plan to obtain prior-authorization for a specific procedure and was told I would need to submit the patient's medical records for the past 10 years. Is this lawful?

ANSWER: Under California law, health plans are authorized to request "only the information reasonably necessary" to determine whether to approve, modify, or deny requests for authorization (Health & Safety Code §1367.01; Insurance code §10123.135.). In other words, plans are prohibited from requesting voluminous copies of medical records that are not related to the services for which authorization is being requested.

Health plan provider newsletters

To make sure that you are aware of important news from your contracting health plans, we encourage you to regularly read plans' provider newsletters and bulletins. Follow the links below to access the current issues.

AETNA: www.aetna.com. Click on "Health Care Professionals" in the main menu, then on "News for Providers" in the left sidebar.

CIGNA: www.cigna.com. Click on "Health Professionals" under "Customer Care" in the main menu. Then, scroll down and click on "Newsletters."

ANTHEM BLUE CROSS: www.anthem.com/ca. Click on "Providers" in the main menu, then on "Professional Network Update" under "Spotlight."

BLUE SHIELD: www.blueshieldca.com. Click on "I'm a Provider," then on "Announcements" under "News and Features."

HEALTH NET: www.healthnet.com. click on "I'm a Provider" and then "California." Enter username and password, and then click "Online News."

MEDI-CAL: www.medi-cal.ca.gov. Click on "Publications" in the main menu, then on "Provider Bulletins."

MEDICARE/PALMETTO GBA: www.palmettogba.com/j1b. Click on "Publications" in the left sidebar, then on "Medicare Advisory."

UNITED HEALTHCARE: www.unitedhealthcareonline.com. Click on "Tools & Resources" in the main menu, then on "Network Bulletin."

CMA RESOURCE: Find up-to-date profiles on each of the major payors in California at www.cmanet.org/ces.

TriWest has since advised CMA that there was a clerical error with the way the reimbursement rates were entered into the system not only for RotaTeq, but several other vaccines that do not have a set CHAMPUS Maximum Allowable Charge rate. The vaccines had been entered into the TriWest system as two-unit vaccines rather than 2 ml vaccines, thus reducing the payment by 50 percent. TriWest corrected the error with July 1 dates of service and, at CMA's request, agreed to automatically reprocess all affected claims from May 1 through June 30. CMA is working to obtain a comprehensive list of all affected vaccines from TriWest and will publish the list as soon as it's available.

Payor updates

As payors continue to make changes to fee schedules and contracts, physicians are reminded to regularly read health plan provider newsletters and bulletins for important updates, including changes to contract terms and reimbursement, or medical policies.

ANTHEM BLUE CROSS: As announced in the July 2010 issue of CPR, Anthem Blue Cross' revised PPO reimbursement policies on global surgery and anesthesia became effective August 23. Additional policies including but not limited to global surgery, multiple surgery reductions, modifier -59, sleep studies and bundled services became effective August 29. A copy of the notice can be viewed at www.cmanet.org/ces.

HEALTH NET: Health Net notified contracting physicians in its June 2010 Provider Update of revisions to the plan's prior authorization requirements for PPO, Medicare Advantage PPO, and Flex Net products, effective October 1, 2010. Participating physicians can access Health Net's prior authorization requirements at www.healthnet.com/provider, click on "Manage My Authorizations," then "Services Requiring Authorization."

UNITED: UnitedHealthcare recently notified physicians of the plan's new Preterm Labor Medical Policy, effective October 1, 2010. According to the new policy, the following services will no longer be covered: tocolytic therapy beyond seven days, subcutaneous terbutaline pump maintenance, tocolytic therapy, and home uterine activity monitoring. The new policy can be viewed at www.unitedhealthcareonline.com by going to "Tools & Resources" at the top of the page then "Policies & Protocols" and clicking on "Medical & Drug Policies and Coverage Determination Guidelines" on the right hand column titled "Policies, " and scroll down to "Preterm Labor: Identification and Treatment."

Tell us what you think

The California Medical Association (CMA) is interested in your feedback. Let us know which topics you would like to see addressed in future issues. Contact CMA's Center for Economic Services at 916/551-2061 or economicservices@cmanet.org.

Got questions?

If you have questions related to any articles, please contact the California Medical Association's (CMA) reimbursement help line, 888/401-5911 or economicservices@cmanet.org.

Save the Date:

Upcoming CMA events

The California Medical Association offers our members programs to educate physicians and staff on a range of practice management issues. Space is limited, so register soon. Events marked with an asterisk (*) are PMI CEU Credit Approved.

October: Become a Certified Medical Coder in 5 Days
San Diego County Medical Association
Course Classes: Oct 1, 8, 15, 22, 29 (9 am – 4 pm)
Certified coders have never been in greater demand. More physicians need Certified Medical Coders who are capable of understanding the complexities of the reimbursement process. Improve your practice's financial health. Your skills will help guard against improper claim submissions and contribute to a higher rate of paid claims for your physician's practice. For more information, see www.sdcms.org/event/certified-medical-coder-class.

9/2: Addressing an Epidemic: Clinicians' Role in Preventing Pertussis
(12:15 - 1:15 pm)
In this webinar hosted by the California Department of Public Health, Mark Sawyer, MD, pediatric infectious disease specialist and professor of clinical pediatrics, UC San Diego School of Medicine, will provide the latest information on California's 2010 pertussis epidemic.

9/22: Practical steps to ensure HIPAA compliance
Members-only webinar (12:15 - 1:15 pm)
In this member's only webinar, David Ginsberg of PrivaPlan presents on the practical steps you can take to ensure HIPAA Compliance.

10/13: Successful preparation for and implementation of an electronic health records system
Members-only webinar (12:15 -1:15 pm)
In this member's only webinar, David Ginsberg of PrivaPlan Associates presents explains how you can prepare your practice for the successful implementation of an Electronic Health Records System.

For more information or to register for any of these events, visit www.cmanet.org/calendar.

Education and networking opportunities

There are numerous educational and networking opportunities for office managers and administrators throughout California. Many county medical societies host forums for practice managers and are an excellent resource. The California Chapter of the Medical Group Management Association (CAMGMA) also offers a broad range of practice leadership, professional development, educational opportunities, and networking activities. For more information or to register for upcoming CAMGMA events, visit www.camgma.com/calendar.cfm.