

**PROGRESSIVE SURGICAL SOLUTIONS**  
A DIVISION OF VMD HEALTH

# ASC Billing 101

## Essential Guide for Surgery Center Success

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**Surgical Notes**

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## Every Surgery Center is unique.

- Size
- Specialty
- Physician Partnership
  - Hospital JV?
- PM system used
- Experience of Leadership and Staff
  - clinical team and billing operations
- In-Network or Out-of-Network



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## Learning Objectives

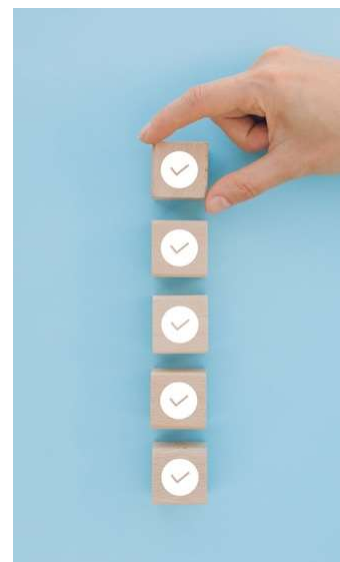
1. Understand the Full ASC Billing Process
2. Identify the top 5 critical functions of RCM
3. Define the top metrics to monitor
4. Learn how to determine why metrics are not being hit
5. Explore what can be done to resolve issues



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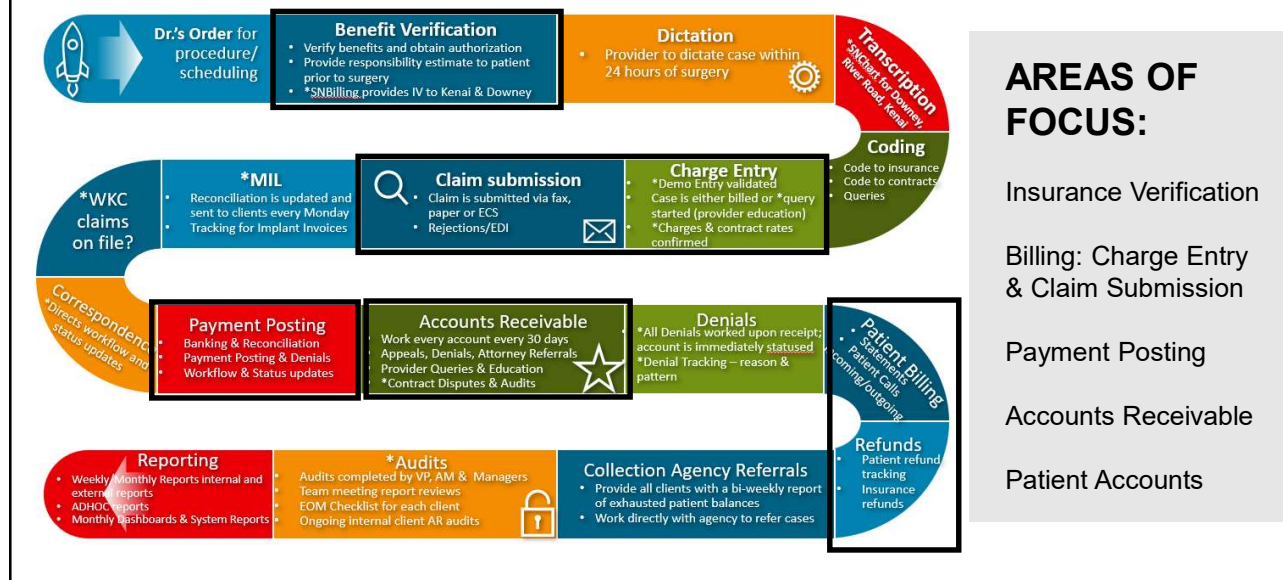
## Agenda

- 01 Lifecycle of a Claim
- 02 Key metrics and Benchmarks for monthly monitoring
- 03 PM system reports to access and monitor
- 04 Other considerations
- 05 Q& A



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## Revenue Cycle: Lifecycle of a Claim



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## Insurance Verification

- Verify patient's insurance benefits for coverage of scheduled procedures.
- Obtain all scheduling packets from physician office including physician orders, insurance card & demographics
- Utilize system to verify benefits or calls insurance plan or uses payor online tool to obtain benefits, COB, and confirms if authorization is required.
- Ensure any authorizations that have been obtained are entered into the system so they will go on the claim for payment.
- Work a minimum of 5 days out but preferably 2 weeks out from DOS verifying benefits.
- Complete Daily schedule reconciliation to ensure all add-ons and cancelations are current.
- Calculate of patient responsibility.
- Contact patient – each patient is called to discuss their deposit required at time of service. Payment options and funding is discussed, if needed.
- Update all insurance verification information in the ASC PM system.

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## Billing | Charge Entry / Claim Submission



- Enter all procedures, modifiers and diagnosis codes.
- Enter all charges and confirms the correct contractual adjustments are taken by system or manually for those payors not automated.
- Allocate all patient deposits to the charge.
- Maintain an implant reconciliation of all cases for payors that require the invoice and tracks the date it was received and submitted.
- Monitor daily unbilled, accounts not able to be billed due to missing documentation, physician queries, charges, etc.
  - *Important to have an effective process to work these timely to ensure claims get billed out within the payor timeframes for claim submission.*
- Transmit claims via electronic clearinghouse, fax, paper or online.
  - *Important to work all claim rejections timely to not jeopardize any payor timeframes for claim submission.*



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## Billing | Charge Entry / Claim Submission



- Manage the secondary billing
- Update account notes if a rebill is done and why
- Consistently update the status when a claim is billed, invoice is submitted, claim is rebilled, secondary is billed, etc.
- Maintain PAS system by updating payors and adding new payors
- Maintain ASC Center's fee schedule by adding new procedures to the system with fee's



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## Payment Posting



- Pull payment from Clearinghouse, ASC's PAS, Waystar
- Create batches in the ASC Center's Patient Account System to reflect date, type and payor
- Post all payments to the accounts and each EOB is balanced to confirm the payment is per the contract
- Make payment corrections, backend adjustments, transfer to secondary or patient responsibility, etc. as appropriate.
- Note any underpayments in the account system.
- Enter overpayments on the refund log
- Reconcile cash weekly
- Establish process for any refunds (patient or insurance) are approved and checks created, all refunds are posted to the individual accounts.



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## Accounts Receivable



- The AR team follows up on all open insurance claims
  - *Important to have an effective process to work these timely to ensure claims get billed out within the payor timeframes for claim submission.*
  - *What is your center's process for managing open accounts and next action needed.*
- AR works denials for various reasons; LCD, COB, accident related, experimental/investigation, No Auth etc.
  - Appeals packages are put together with supporting documentation and justification to support payment.
  - Medical Record Requests are uploaded quickly and tracked
  - Partner with Providers around Medical Necessity denials
  - Must have timely filing for all payors
  - Retro Auth process
- Work all denials within 24 hours
- Resubmit claims and/or corrected claims as necessary



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## Accounts Receivable



- Manage payor issues and identify trends
  - Understand top denials by payor and how your center is winning
  - For example, are you receiving multiple requests for medical records on the same account?
- Research Payor clinical policies and payor guidelines
  - Team working AR needs to be familiar and receive updates as frequently as monthly
- Appeals to the Department of Insurance
- Manages attorney and PIP referrals



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## Patient Accounts



- Audit the patient balance accounts to determine if a refund is needed and confirms the balance is correct
- Tracks the accounts where balance is ready for patient and statements need generated.
- Create a weekly, monthly cadence to address sending statements, making patient phone calls and identifying accounts ready for collections.
- Once accounts are identified to be moved to collections, adjust balances off and send accounts to collection agency.
- Monitor Outgoing/Incoming phone calls to patients for quality and accuracy.
- Manage the pending patient info queue, which are insurance claims being held for additional info needed from patient (COB, accident info).
- Leverage technology, when possible, for bill pay online, mobile pay, etc.



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## Reporting



- Daily EOD Insurance Verification reconciliation and status
- Weekly Billing – volume of bills submitted, number of rejections and why
- Weekly Unbilled report – what has not been billed any why?
  - *Use to resolve accounts and trend data (example: is there a particular physician that is consistently late with dictation)*
- Weekly unposted to track missing remits
- Weekly reporting for AR
  - *How are you managing what your team is working, resolving, and what accounts are outstanding?*
- Daily/Weekly Productivity reports
- Monthly system generated reports
- AdHoc reporting and projects



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## Reporting



**Monthly EOM  
Dashboard  
reports show  
month over month  
(MoM) trending**

- Monthly Charges
- Monthly Payments
- Monthly Adjustments
- Total AR Balance
- AR by Financial Class
- AR Days
- Monthly Cash Goal



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## KPI Goals

### Sample KPIs and MoM Tracking

Total Case Volume  
Unbilled cases  
Total Charges  
Payments  
Payments >90 days  
Patient payments  
Recoupments  
Contractual w/o

Refunds  
Bad Debt  
Total AR  
Days in AR  
Cash Goal  
Denial Rate  
Clean Claim Rate

AR Roll Forward									
	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Total Average
Beginning AR Balance	\$6,108,345	\$5,885,533	\$7,225,401	\$8,058,676	\$8,858,803	\$7,775,282	\$6,631,771	\$4,066,407	\$54,413,219 \$6,802,402
Total Gross Charges	\$9,787,742	\$10,733,862	\$10,795,145	\$9,296,191	\$8,815,729	\$9,949,183	\$8,018,081	\$8,771,823	\$75,947,337 \$9,493,417
Payments	(\$3,006,171)	(\$2,437,725)	(\$3,428,830)	(\$2,846,396)	(\$2,374,958)	(\$3,272,816)	(\$2,887,249)	(\$2,810,417)	(\$22,864,966) (\$2,858,071)
Contractual Adjustments	(\$8,874,644)	(\$6,817,174)	(\$6,431,923)	(\$5,900,200)	(\$6,299,454)	(\$7,990,064)	(\$5,990,786)	(\$8,788,826)	(\$53,172,070) (\$5,646,534)
Other Adjustments	(\$2,240)	(\$25,798)	(\$102,004)	(\$152,918)	(\$706,071)	\$218,905	(\$1,608,725)	(\$217,671)	(\$2,596,962) (\$324,608)
Refunds	\$0	\$20,306	\$0	\$0	\$17,683	\$50,368	\$25,261	\$44,051	\$187,630 \$19,704
Bad Debt	\$800	(\$141,483)	\$887	\$4,451	(\$138,430)	(\$68,716)	(\$120,927)	(\$103,445)	(\$897,138) (\$74,644)
Ending AR Balance	\$5,893,833	\$7,225,401	\$8,058,676	\$8,858,803	\$7,775,282	\$6,631,771	\$4,066,407	\$2,981,677	\$51,292,590 \$6,411,583

Statistics									
	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Total Average
Case Volume	474	472	488	522	427	466	415	462	3,694 462
Unbilled	91	87	41	76	67	35	19	15	441 55
Debit AR	\$6,424,289	\$5,172,092	\$8,748,701	\$9,402,818	\$8,854,985	\$7,244,366	\$4,705,170	\$4,078,487	- \$7,178,734
Credit AR	(\$800,766)	(\$141,483)	(\$887,026)	(\$742,815)	(\$879,754)	(\$614,795)	(\$608,785)	(\$1,086,791)	- (\$787,167)
Days in AR	79	82	80	82	92	70	59	51	- 83
Days to Bill	11	12	12	28	12	6	5	4	- 11
Expected Net Revenue	\$2,703,090	\$3,916,488	\$4,363,222	\$3,385,991	\$2,316,275	\$1,969,120	\$2,027,275	\$2,002,791	\$22,774,267 \$2,846,783
Cash Goal	\$2,616,530	\$3,464,787	\$3,630,426	\$3,836,894	\$3,602,271	\$2,474,641	\$2,236,421	\$2,236,421	\$21,923,782 \$2,511,060
% Collected of Goal	6%	95%	99%	73%	65%	85%	117%	128%	- 82%
Denial Rate	0.00%	0.00%	0.00%	0.00%	0.05%	0.11%	0.10%	0.00%	- 0.03%
# of Denials	0	0	0	0	1	3	2	0	6 1
Denial Amount	\$0	\$0	\$0	\$0	(\$1,215)	(\$2,132)	(\$1,803)	\$0	(\$8,289.85) (\$642.45)
Accounts Open in AR	2,476	2,830	3,045	3,224	3,281	2,972	2,085	1,828	21,510 2,644
Average Revenue per Case	\$8,753	\$8,726	\$8,967	\$8,268	\$8,114	\$8,045	\$8,021	\$8,638	- \$8,289



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## Reporting within your PM System



### HST

#### ME9000

Monthly summary

#### DE5500

Detailed case report

#### OP5002

Aging report

### SIS COMPLETE

(includes Amkai and Vision)

#### Management Summary

Monthly summary

#### Billing Analysis

Detailed case report

#### AR Aging

Aging report

#### SIS Complete Analytics

### Other areas to examine / critical reports:

- Ledger Code reports
- Cost analysis
- Revenue by period
- Inventory



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## Managed Care Contracting



- The fastest way to improving your margin per-case
- Varies by market and by Payor and the specialties you perform at your Center
- Do you know where they are and are they loaded properly in your PM system?
- Have you reviewed your contracts tied to what they pay compared to Medicare?
- When are they up for renewal/renegotiation?



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## Questions?

Life Cycle of a Claim can be complicated...

**We can help.**

Do you have concerns about your center's AR?

Reach out to us to discuss your options:

[hilary.sondik@surgicalnotes.com](mailto:hilary.sondik@surgicalnotes.com)

[chuck.meisel@surgicalnotes.com](mailto:chuck.meisel@surgicalnotes.com)



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## Available to Members on eSupport

### Compliance & Operations > Business Ops > Key Indicator Tracking and Reporting

- KPI Dashboard
- Revenue Cycle Management ASC Scorecard

#### REVENUE CYCLE MANAGEMENT SCORECARD

FACILITY: ASC Name			
AREA	SCORING CRITERIA	SCORE	NOTES
Billing Staff Rating (member collections divided by number of billers (PSS))	1 100% score		
	2 85% to 99%		
	3 80% or less		
Billing Staff Hours/Total Cases (member collections divided by # of biller cases)	1 over 2 hours per case		
	2 over 1.5 hour per 2 hrs per case		
	3 under 1.50 payroll hrs per case		
RCM System	1 Existing system is outdated or outgrown		
	2 Current system is old but still works well enough		
	3 Current system is one of the top ASC systems on the market		
Coding/Charting & Billing	1 No external review		
	2 Periodic External Review, at least twice a year		
	3 External Review every 6-12 months		
Compliance Program	1 No formal compliance program in place		
	2 Informal compliance program in place		
	3 Formal compliance program in place		
Coordination between Business office & Clinical Staff	1 The BO staff and clinical staff do not meet regularly		
	2 The BO staff and clinical staff meet when a urgent issue		
	3 The BO staff and clinical staff meet regularly or 2 times a month		
Accuracy of Patient Demographics	1 The ASC does not use the % of demographics & inaccurate		
	2 Over 10% of the demographic data is inaccurate		
	3 Less than 10% of demographics are inaccurate		
Unbilled Claims Reports	1 A report of all unbilled claims is not made frequently		
	2 The team does a periodic check of unbilled claims		
	3 Unbilled claims are checked daily		
Operative Reports	1 Operative reports are not always complete or attached		
	2 The billing department frequently missing Op reports		
	3 Op Reports are completed daily or within 48 hours		
Coding levels	1 The ASC over codes, under codes or mix and match		
	2 The ASC does not over code, but might under code		
	3 No ASC codes to the appropriate level		
Timing of Pooled Charges	1 Charges are posted after 72 hours		
	2 Charges are always posted within 48 hours		
	3 Charges are posted within 24 hours		

Key Performance Indicators

#### KEY PERFORMANCE INDICATORS (KPI)

How to use this table		DATA CENTER											
Calendar days	Number of days in the month Number of business days in month (less official holidays)												



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## Continued Education

Licensed nurses and CASC credentialed participants are eligible for 1.0 CE Contact Hour and/or 1.0 AEU Credit. Progressive Surgical Solutions, division of VMG Health is approved by the California Board of Registered Nurses, Provider #17841 and BASC, Provider #1016.



1 CE Contact Hour  
per **RN** attendee

1 AEU per **CASC**  
attendee



Complete Course  
Evaluation sent via  
email by **Friday, 11/3**




Allow up to 2 weeks  
for processing your  
certificates




Any questions  
regarding CE Credit,  
contact  
[Jenna@pss4asc.com](mailto:Jenna@pss4asc.com)




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Save the date!



APRIL 25-26, 2024 | DALLAS, TX

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## Upcoming Webinars

DATE	🕒	CE	WEBINAR TOPIC	SPEAKER
NOV 27	20		Annual Survey Watch Report 2023	Crissy Benze
DEC 18	60	RN, CASC CAIP	Steam Sterilization	Delores O'Connell STERIS



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