

# MODULE: COMMON MEDICAL BILLING ERRORS

Division of Workers' Compensation

## Most Common Billing Errors

The Division of Workers' Compensation has compiled a list of the billing errors that they encountered the most frequently. In this presentation, we will review the 6 most common errors that you can strive to avoid.



When submitting bills for adjudication, adhering to directions found in the billing guidelines in [69L-7, F.A.C](#) and in the reimbursement manuals should facilitate the self-executing features of the law.

The reimbursement manuals' information is found on:

<https://www.myfloridacfo.com/Division/WC/PublicationsFormsManualsReports/Manuals/Default.htm>

# Our Focused List

Non-use of CPT\* Codes

UB-04 Form Field 4  
Type of Bill

Incorrect CPT Code Use

Common  
Billing  
Errors

Preoperative Labs

Itemized Statement  
vs.  
Medical Bill

Observation Units

*\*CPT: Current Procedural Terminology*

# Non-use of CPT Codes

**Some Revenue Codes require an HCPCS/CPT Code, but are left blank, which causes a billing error**

ICD-9-CM	HCPCS/CPT CODE	DESCRIPTION	UNIT	UNIT PRICE	TOTAL CHARGE	NON-COVERED CHARGE	ADJ
		0250 Pharmacy	90715	051618	1	124.70	
		0259 Pharmacy: Other		051618	1	252.35	
		0259 Pharmacy: Other		051618	1	110.80	
		0301 Laboratory - Clinical Dia	80853	051618	1	73.00	



# Type of Bill | UB-04 Form (Field 4)

If you need to submit a replacement or corrected claim to a previously submitted hospital claim, then you need to change the last digit of the Bill Type.

Type of Bill: The required three digits in this code identify the following:

- **1st digit:** type of facility  
Examples: Hospital (1), Specialty Facility, Hospital ASC Surgery (8)
- **2nd digit:** bill classification  
Examples: Inpatient (1), Outpatient (3)
- **3rd digit:** frequency  
Examples: Replacement of Prior Claim or Corrected Claim (7),  
Void or Cancel of a Prior Claim (8)

We have some more examples of these items on the next slide

# Type of Bill | UB-04 Form (Field 4)

## More Examples

- **Type of Bill 111:** Represents a Hospital Inpatient claim; indicating that the claim period covers admission through the patient's discharge
- **Type of Bill 117:** Represents a Hospital Inpatient Replacement or Corrected claim; this operates as the principle to void the original bill, and that the information present on this bill represents a complete replacement of the previously issued bill
- **Type of Bill 131:** Represents a Hospital Outpatient surgical claim
- **Type of Bill 137:** Represents a Hospital Outpatient Replacement or Corrected claim; this operates as the principle to void the original bill, and that the information present on this bill represents a complete replacement of the previously issued bill

# Type of Bill | UB-04 Form (Field 4)

Make the appropriate changes on the form in the locations shown in these examples

The image displays two examples of UB-04 forms. The left form is a blurred image with a red circle highlighting a field containing the number '111'. The right form is also blurred, with a red circle highlighting a field containing the number '8131'. Both forms have various fields and text, but the focus is on the highlighted areas.

## Incorrect CPT Code Use

The procedure code provided is incorrect for the type of service performed.

Example of incorrect code use:

- The service performed was for an **ankle** procedure, but was billed incorrectly as a **wrist** procedure.



# Incorrect CPT Code Use

The procedure on the bill is incorrect for the type of service performed as shown here

Patient: [blurred] Date of Birth: 05/11/91  
Account No: [blurred] Age: 27  
Physician: [blurred] Sex: M  
Specialty: [blurred] Oper Date: 09/06/18  
C.S.: [blurred] Run Date: 09/08/18  
Primary Procedure: REPAIR HERNIA UMBILICAL--SUPRAUMBILIC...  
Case Close/ Run Time: [blurred]

DATE	TIME	DESCRIPTION	UNIT	AMOUNT	DISC	DISC	DISC	DISC	DISC
09/06/18	0600	OPERATING ROOM SERVICES-G							93
09/06/18	09560	RPR VENTRAL HERN INTY RED	1.00	19546.00	N/A	N/A	0.00	0.00	00

# Preoperative Labs

These can be included on the surgical bill **if** completed up to **three calendar days prior** to the surgery. **If** the labs were completed **more than three days prior**, they cannot be included on the surgical bill and should be billed separately.

		ADMITTED	DISCHARGED				
		10/09/18	10/12/18				
301-LAB/CHEMISTRY							
100118	018200	0736	803049 80048	1	HEP TOTAL CALCIUM	618.50	
101018	108293	0736	803049 80048	1	HEP TOTAL CALCIUM	618.50	
SUBTOTAL:							1237.00
302-LAB/IMMUNOLOGY							
100118	018200	0736	804687 86900	1	ABO TYPE	397.25	
100118	018200	0736	804686 86901	1	RH TYPE	409.50	
100118	018200	0736	804690 86950	1	ANTIBODY SCREEN EA	749.50	
SUBTOTAL:							1556.25
305-LAB/HEMATOLOGY							
100118	018200	0736	804005 85610	1	PROTIME	522.25	
100118	018200	0736	804017 85720	1	PTT	776.25	
100118	018200	0736	803940 85027	1	CBC	612.50	
101018	108193	0736	803940 85027	1	CBC	612.50	
SUBTOTAL:							2523.50
307-LAB/SROLOGY							
100118	018200	0736	812336 81003	1	UA W C MICRO AUTO	438.50	
SUBTOTAL:							438.50
310-PATHOLOGY LAB							
100918	118644	0736	811233 88304	1	SURG PATH LEVEL 3	700.25	
100918	118644	0736	803733 88311	1	PATH DECALCIFICATION	111.25	
SUBTOTAL:							811.50
320-DX X-RAY							
100118	018209	0728	801791 72100FY	1	KR L-SPINE 2/3 VIEWS	1774.75	
100918	098123	0728	813980 72020	1	KR SPINE 1 V SPEC LEVE	1250.75	
100918	098037	0728	813980 72020	1	KR SPINE 1 V SPEC LEVE	1250.75	
100918	098123	0728	801791 72100	1	KR L-SPINE 2/3 VIEWS	1774.75	
SUBTOTAL:							6051.00
324-DX X-RAY/CHEST							
100118	018209	0728	825404 71046FY	1	CHEST XRAY 2 V	335.25	
SUBTOTAL:							335.25
350-CT SCAN							
100918	098123	0736	824509 74374	1	3D CT/MRI/US/OTW NOT I	1901.50	

The labs were completed on 10/01/18, which was **more than 3 days prior** than the admitted date of 10/9/2018

# Medical Bill vs. Itemized Statement

The itemized statement is a detailed listing of the hospital provided services and supplies, including the quantity and charges for each service or supply.

The billing error occurs when the **bill** does not match the **itemized statement**.

This is in regard to the  
Current Procedural Terminology (CPT) medical codes

# Medical Bill vs. Itemized Statement

The billing error occurs when the **bill** does not match the **itemized statement**

44 REV CD	44 DESCRIPTION	44 HOSPITAL/CLINIC CODE	44 SERV DATE	44 SERV QUANT	44 TOTAL CHARGE
0636	DRUGS/DETAIL CODE	J7120	102918	4	170 00
0636	DRUGS/DETAIL CODE	J7120	103018	1	251 00
0781	TREATMENT RM	16020	103018	1	272 00
0781	TREATMENT RM	16020	103118	1	1050 00
0782	OBSERVATION RM	103018	103018	1	2160 00
0782	OBSERVATION RM	103118	103118	18	1620 00
0771	VACCINE ADMIN	90471	102918	1	239 00
0771	VACCINE ADMIN	90472	102918	1	226 00

bill = 24  
Itemized Statement = 22

10/30/18	0250	25900034	OXYCODONE 5 MG TAB	2	31.00
10/30/18	0250	25900034	OXYCODONE 5 MG TAB	2	31.00
10/30/18	0250	25900034	OXYCODONE 5 MG TAB	2	31.00
10/30/18	0250	25900034	SILVER SULFADIAZINE 1% CREA 400 G JAR	1	220.00
10/30/18	0250	25900034	THERAPEUTIC MULTIVITAMIN-MINERALS 9 MG	1	1.00
10/30/18	0250	25900034	IRON-400 MCG TAB	1	1.00
10/30/18	0250	25900034	VITAMIN C 500 MG TAB	1	1.00
10/30/18	0250	25900034	VITAMIN C 500 MG TAB	1	1.00
10/30/18	0306	14820934	HB MRSA DNA PROBE	1	967.00
10/30/18	0420	42000024	HB THERAPEUTIC EXERCISES EA 15 MIN	1	116.00
10/30/18	0424	42400003	HB PHYSICAL THERAPY EVAL LOW COMPLEX	1	306.00
10/30/18	0430	42000032	20 MINS	1	103.00
10/30/18	0636	63600001	HB SELF CARE TRAINING EA 15 MIN	3	232.00
10/30/18	0636	63600001	ENOXAPARIN 10 MG SUBQ	3	232.00
10/30/18	0636	63600001	ENOXAPARIN 10 MG SUBQ	3	261.00
10/30/18	0636	63600001	LACTATED RINGERS 1000 ML IV	1	48.00
10/30/18	0636	63600001	MORPHINE 10 MG IV	1	309.00
10/30/18	0781	78100085	ONDANSETRON HCL (PF) 1 MG INJ	4	272.00
10/30/18	0782	78200001	HB BURN WOUND CARE SMALL LESS S	1	1,980.00
10/31/18	0250	25900034	HB OBSERVATION PER HOUR	22	1,980.00
10/31/18	0250	25900034	DOCUSATE SODIUM 100 MG CAP	1	1.00
10/31/18	0250	25900034	OXYCODONE 5 MG TAB	2	31.00



# Observation Units

Observation hours are hours charged when someone is admitted to the hospital for observation but is not necessarily an in-patient.

The observation units (hours) must reflect the actual number/amount of hours of the organization's charges.

The amount of observation units must be appropriate for the revenue code the organization selected.

The maximum number of observation hours is 23 per. F.S. 440.13(12)(a) ]



# Observation Units

The observation units (hours) must reflect the actual number/amount of hours charged.

In this example, they do not match

UNIT	DESCRIPTION	AMOUNT	DATE	UNIT	CHARGE
0710	RECOVERI ROOM	99218 25	111918	1	1162780
0762	INITIAL OBSERVATION CARE				

Units      Charges



## Contact Us

If you have any questions, please contact us by

- Telephone: 850-413-1613
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