MODULE: COMMON MEDICAL BILLING ERRORS

Division of Workers' Compensation

CFO JIMMY PATRONIS

DEPARTMENT OF FINANCIAL SERVICES

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.



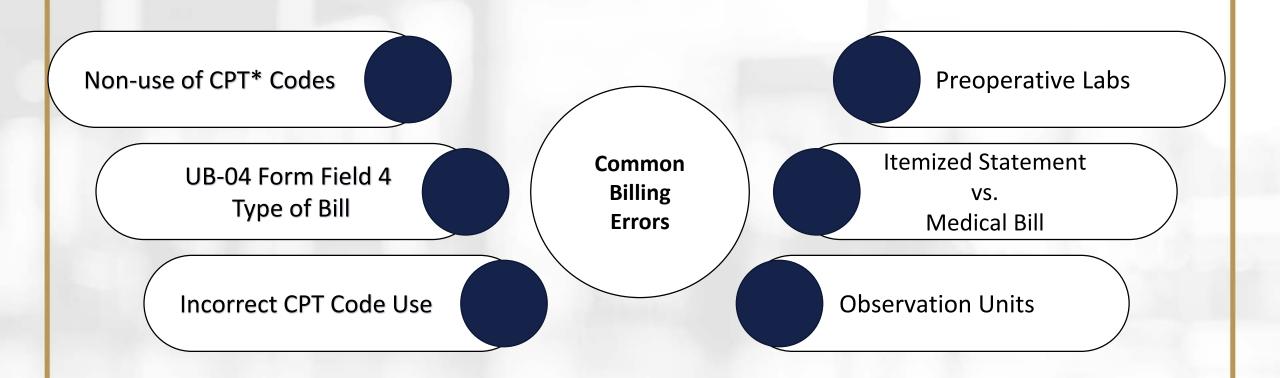


When submitting bills for adjudication, adhering to directions found in the billing guidelines in 69L-7, F.A.C and in the reimbursement manuals should facilitate the self-executing features of the law.

The reimbursement manuals' information is found on:

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

Our Focused List



*CPT: Current Procedural Terminology

Non-use of CPT Codes

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



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 <u>last digit</u> 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 <u>Inpatient</u> 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



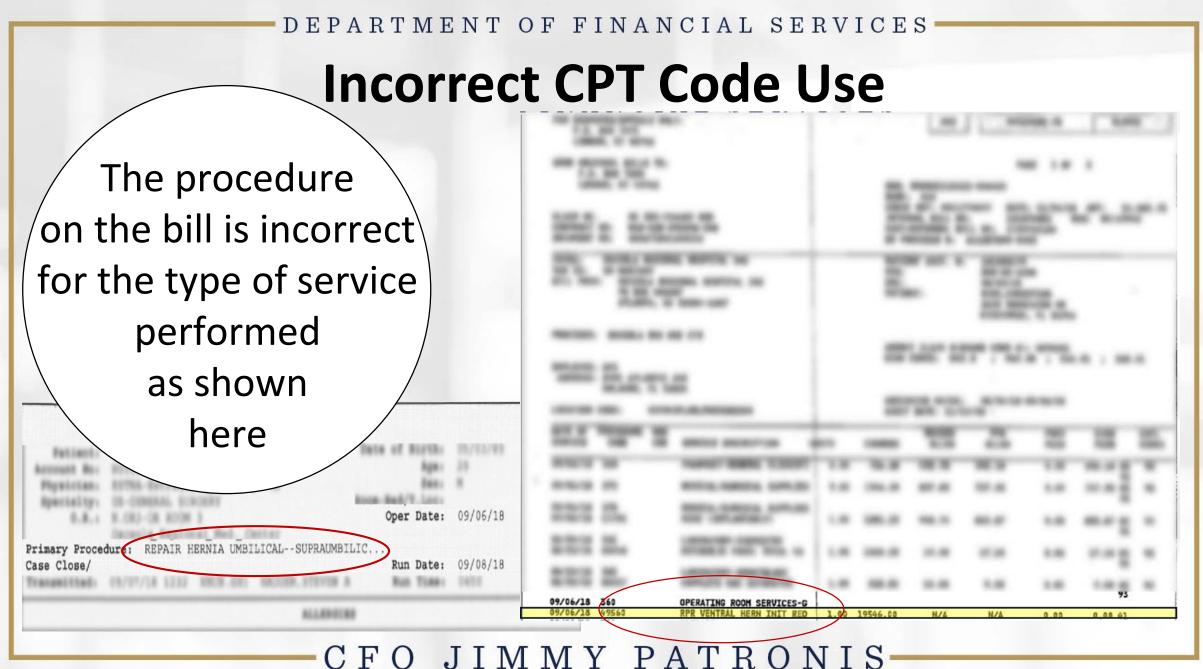
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Incorrect CPT Code Use

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

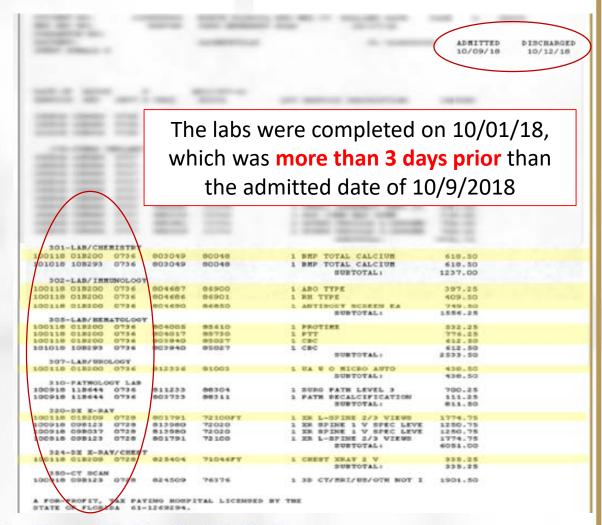
Example of incorrect code use:

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



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.



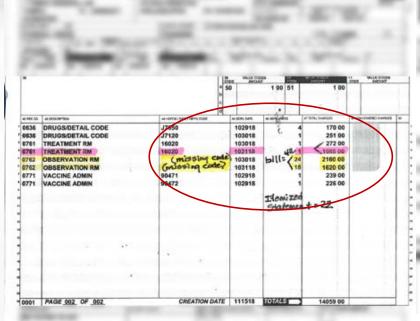
Medical Bill vs. Itemized Statement

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

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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



DEPARTMENT OF FINANCIAL SERVICES

Insurers are responsible for meeting their obligations under 69L-7.740, F.A.C for medical bills paid, adjusted, disallowed, denied or otherwise processed or submitted to the Division.





All original submissions, resubmission or rejected bills, and the replacement of previously accepted bills must be in compliance with Rule 69L-7.750, F.A.C.

Rejections that are not corrected successfully and accepted by the Division are not considered "Filed by the Division" and are subject to penalties pursuant to Rule 69L-24.006, F.A.C.

Contact Us

If you have any questions, please contact us by

- **Telephone:** 850-413-1613
- Email:

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