

# 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

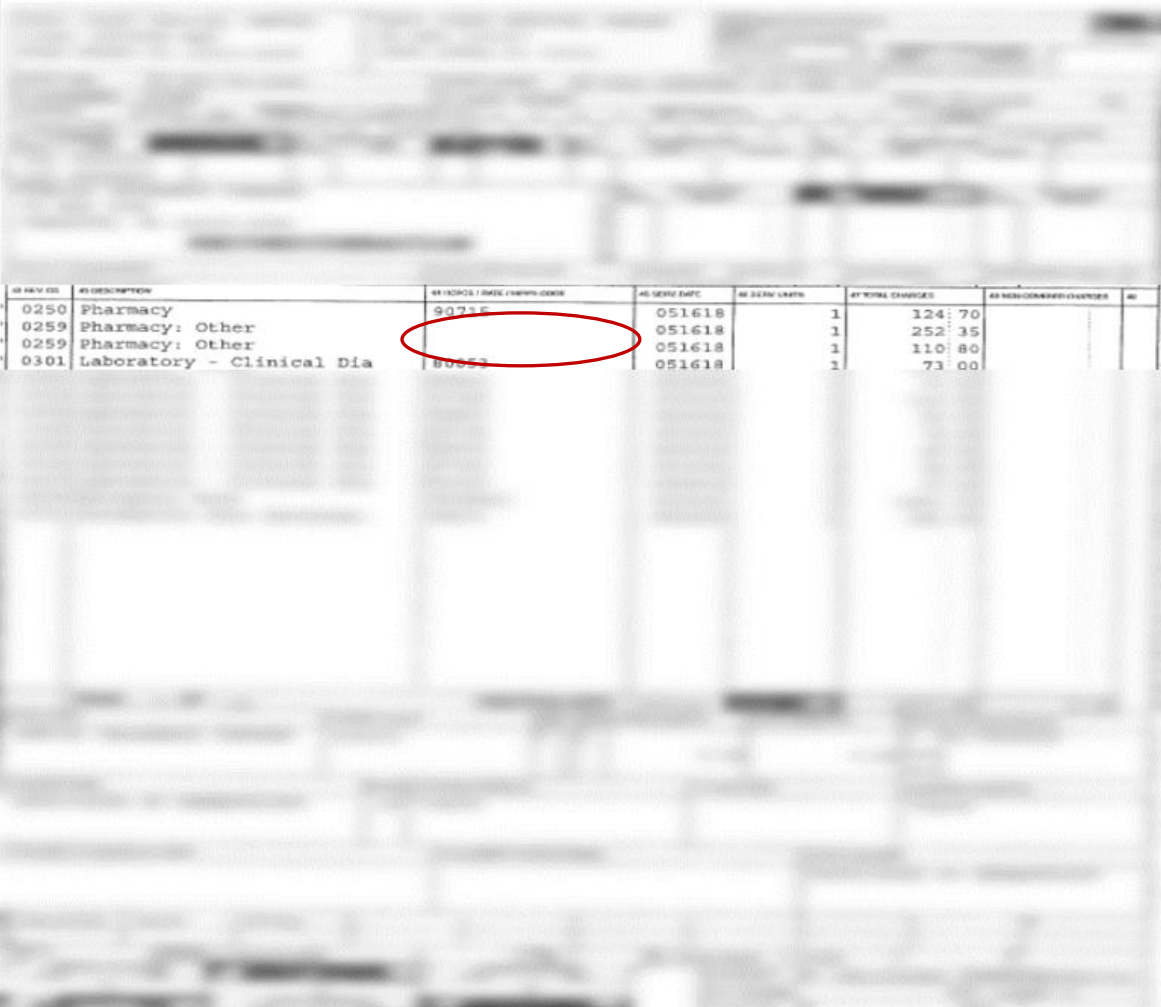
Itemized Statement  
vs.  
Medical Bill

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**



01 REV CD	02 DESCRIPTION	03 ICD9 / ICD10 / HCPCS CODE	04 SERV DATE	05 SERV UNIT	06 TOTAL CHARGES	07 NON-COVERED CHARGES	08
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	80852	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 has a red circle around a field containing the number '111'. The right form has a red circle around a field containing the number '8131'. Both forms are otherwise blurred, showing various sections and tables typical of a UB-04 form.

## 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: 05/15/91  
 Account No: [blurred] Age: 23  
 Physician: [blurred] Sex: M  
 Speciality: [blurred] Oper Date: 09/06/18  
 U.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	DISC
09/06/18	560	OPERATING ROOM SERVICES-G								95
09/06/18	49560	RPR VENTRAL HERN INIT RED	1.00	19546.00	N/A	N/A	0.00	0.00	0.00	

# 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 86850	1	ANTIBODY SCREEN EA	749.50	
SUBTOTAL:							1556.25
303-LAB/HEMATOLOGY							
100118	018200	0736	804005 83610	1	PROTINE	532.25	
100118	018200	0736	804017 85720	1	PTT	776.25	
100118	018200	0736	803940 85027	1	CBC	612.50	
101018	108293	0736	803940 85027	1	CBC	612.50	
SUBTOTAL:							2633.50
307-LAB/SROLOGY							
100118	018200	0736	812334 81001	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	0728	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	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
REF ID	DESCRIPTION	REF ID	DESCRIPTION	REF ID	DESCRIPTION	REF ID	DESCRIPTION	REF ID	DESCRIPTION	REF ID	DESCRIPTION	REF ID	DESCRIPTION	REF ID	DESCRIPTION	REF ID
0636	DRUGS/DETAIL CODE	J7120	102918	4	170.00											
0636	DRUGS/DETAIL CODE	J7120	103018	1	251.00											
0761	TREATMENT RM	16020	103018	1	272.00											
0761	TREATMENT RM	16020	103118	1	1088.00											
0762	OBSERVATION RM	103018	103018	1	2160.00											
0762	OBSERVATION RM	103118	103118	1	1620.00											
0771	VACCINE ADMIN	90471	102918	1	239.00											
0771	VACCINE ADMIN	90472	102918	1	226.00											
										TOTALS		14059.00				

Handwritten notes in red and yellow: "missing code (missing code)", "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	567.00
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	HB SELF CARE TRAINING EA 15 MIN	1	103.00
10/30/18	0636	63600001	ENOXAPARIN 10 MG SUBQ	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	232.00
10/30/18	0636	63600001	ENOXAPARIN 10 MG SUBQ	3	232.00
10/30/18	0636	63600001	MORPHINE 10 MG IV	1	48.00
10/30/18	0636	63600001	MORPHINE 10 MG IV	1	48.00
10/30/18	0781	78100085	ONDANSETRON HCL (PF) 1 MG INJ	4	309.00
10/30/18	0782	78200001	HB BURN WOUND CARE SMALL LESS S	1	272.00
10/30/18	0782	78200001	HB OBSERVATION PER HOUR	22	1,980.00
10/31/18	0250	25900034	OCCUSATE SODIUM 100 MG CAP	1	1.00
10/31/18	0250	25900034	OXYCODONE 5 MG TAB	2	31.00

Handwritten notes in red and yellow: "bill = 24", "Itemized Statement = 22".

# 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

Units	Charges
1	1162780



## Contact Us

If you have any questions, please contact us by

- Telephone: 850-413-1613
- Email:

[Workers.CompMedService@myfloridacfo.com](mailto:Workers.CompMedService@myfloridacfo.com)



DEPARTMENT OF FINANCIAL SERVICES

