

TABLE OF CONTENTS

Chapter 1	
Healthcare Fraud and Abuse	
Overview	3
Federal Statutes	3
Federal Anti-Kickback Statute	3
Federal Physician Self-referral Law	3
Federal False Claims Act	4
Additional Federal Laws to Consider.....	5
Fraud Enforcement and Recovery Act	5
Healthcare Fraud.....	6
Concealment of False Statements	6
Wire and Mail Fraud	6
State-based Fraud and Abuse Laws.....	6
Federal Self-Referral Disclosure Protocol	6
Impact of Fraud and Abuse Legislation on Discounts	7
Professional Courtesy Arrangements.....	7
Waiver of Copayment and Coinsurance.....	8
Financial Hardship	8
No Charge	8
Same-day Payment (Cash) Discounts.....	8
Examples of Fraud and Abuse Cases	9
False Claims Act Violation (2017).....	9
False Claims Act Violation (2016).....	9
False Claims Act Violation (2016).....	9
False Claims Act Violation (2016).....	9
False Claims Act Violation (2015).....	9
References	9
Chapter 2	
Clinical Coding and Compliance	
Standards for Ethical Coding	13
Responding to Fraudulent Practices	13
Compliance Plans.....	15
Affordable Care Act Mandates Formal Compliance Programs.....	15
Components of A Compliance Plan.....	15
Internal Monitoring and Auditing	15
Standards and Procedures.....	15
Compliance Officer.....	15
Training and Education.....	16
Responding to Violations.....	16
Open Lines of Communication	16
Disciplinary Actions	16
Conducting Compliance Audits	16
Monitoring vs. Auditing	16
Steps in Conducting Internal Audits.....	17
External Compliance Audits.....	17
Governmental Audits	17
Recovery Audit Contractors (RACs).....	17
Medicaid Surveillance and Utilization Review Subsystem (SURS).....	18
Medicaid Integrity Contractors (MICs).....	18
Unified Program Integrity Contractors (UPICs).....	18
Medicare E/M Frequency Data	19
E/M Codes are Significantly Higher Than the Medicare OMS Benchmarks	19
E/M Codes are Significantly Lower Than the Medicare OMS Benchmarks	19
Encounter Forms	19
References	20
Chapter 3	
Establishing Fee Schedules	
Overview	23
Methods of Setting Fees.....	23
Cost-Based Fees	23
Annual Percentage Increase	23
National Percentile.....	24
Percentage Increase Above Medicare.....	24
References	25
Chapter 4	
Managed Care Organizations (MCOs)	
History	29
Baylor Plan	29
Kaiser Plan	29
Managed Care Organizations	29
Types of Managed Care Organizations.....	30
Health Maintenance Organizations	30
Preferred Provider Organizations	31
Point-of-Service Plans	31
Contract Provisions	31
Description of Parties	31
Description of Covered Services.....	31
Medical Records	31
Payment Withholding	31
Payment Arrangement.....	32
Termination of Contract	32
Legislation Provides Protections Against Managed Care Plan Abuses	32
Disclosure of Information Requirements.....	32
Access to Care and Point-of-Service Options.....	32

Access to Emergency Care	32
Continuity of Care.....	33
Standing Referrals.....	33
Any Willing Provider Law	34
Anti-Gag Clauses and Hold Harmless Clauses	34
Grievance Procedures and External Reviews.....	34
Non-covered Service Laws.....	34
Surprise Bill Laws	35
Understanding Surprise Bills.....	35
Federal and State Responses.....	35
Marketplace Plans	36
Understanding the Plans	36
Essential Health Benefits	36
Narrow Networks	36
Embedded Dental Plans.....	36
References	37

Chapter 5

Healthcare Reimbursement Systems	
Introduction	41
Commercial Health Insurance Plans.....	41
Private Health Insurance.....	41
Employer-based Self-insurance	42
Consumer-directed Health Plan	43
Government-sponsored Health Plans	43
Medicare	43
Medicaid	44
TRICARE.....	45
Reimbursement Methodologies	45
Fee-for-Service Reimbursement	45
Episode-of-Care Reimbursement	46
References	47

Chapter 6

Medicare-Related Issues	
Becoming a Medicare Provider	51
National Provider Identifier	51
Provider Enrollment	51
Participating Providers.....	52
Nonparticipating Providers	52
Changing Participation Status	52
Private Contracting (Opting Out).....	52
Emergency and Urgent Care Services After Opting Out	54
PECOS	54
Revalidation.....	54
Degree of Provider Denials	54
Medicare Provider Classification	55
Medicare Coverage	55
Non-covered vs. Medically Necessary	55
Definition of Physician.....	56
Policy on Dental Services	56

Medicare Advantage – All Products Clause	56
Policy on Anesthesia by Surgeon	57
Special Considerations When Submitting Medicare Claims.....	57
Accepting Assignment.....	57
Mandatory Claims Submission	57
Fragmenting Claims	57
Timeframe for Filing a Claim	57
Advance Beneficiary Notice	58
Voluntary Use of ABN	58
Including Non-OMS Services on ABN.....	59
Request for Medicare Denial.....	59
Medicare Prior Determination Rule	59
Other Medicare Topics.....	59
Comprehensive Limiting Charge Compliance Program	59
Elective Surgery Notice.....	60
Right to Itemized Bill.....	60
Advanced Imaging Accreditation	60
Required Notice of Alternate Imaging Providers.....	61
NEMA Standard Compliance.....	61
Place of Service Coding Instructions	61
Medicare and CHIP Reauthorization Act (MACRA)	61
Merit-based Incentive Payment System (MIPS)	62
Alternative Payment Models (APMs)	63
Accountable Care Organizations (ACOs).....	63
Episode of Care Payment Initiatives	64
Medical Homes	64
References	65

Chapter 7

Claims Processing and Payment	
The Roles of AAOMS and State OMS Societies.....	69
Accountable Care Act (ACA) Checklist.....	69
Claims Processing Cycle	70
Pre-submission Issues.....	71
Data Needed for Claims Submission	71
Predetermination vs. Preauthorization.....	71
Coordination of Benefits (COB).....	72
Determining When Medicare is Primary or Secondary.....	73
Additional Parameters of Coverage	74
Intra-submission Issues	74
Filing Clean Claims	74
Establishing Medical Necessity.....	75
Cosmetic vs. Medically Necessary Procedures.....	75
Types of Claim Forms	76
Administrative Simplification Compliance Act.....	76

Benefits of Electronic Claims Submission	76	Glossary	95
HIPAA Electronic Transaction Standards.....	76		
Submitting Supporting Documentation.....	77	Acronyms and Abbreviations	101
HIPAA Electronic Claims Attachment Standard	77		
Post-Submission Issues	77	Appendix A	
Reviewing Explanation of Benefits	77	Safe Harbor Regulations.....	105
Prompt Payment Legislation.....	78		
Multiple Procedure Reduction.....	78	Appendix B	
Downcoding.....	78	Physician Self-Referral Exceptions	137
Contractual Adjustments	78		
Write-Offs.....	79	Appendix C	
Overpayment of Funds	79	Medical Record Documentation Standards.....	143
Accounts Receivable Management.....	79		
Days in Accounts Receivable.....	79	Appendix D	
Dollars in Accounts Receivable.....	79	Prompt Payment Legislation	145
References	80		
Chapter 8			
Appeals Process		Appendix E	
Insurance Company Claims Review Process	83	Flow Charts and Sample Appeal Letters	157
Step 1: Electronic Review.....	83		
Step 2: Claims Reviewer	83	Appendix F	
Step 3: Claims Manager.....	83	State Insurance Commissioners	203
Step 4: Consultant	83		
Step 5: Dental or Medical Director	83	Appendix G	
Step 6: Additional Insurance Company Hierarchy.....	83	Miscellaneous Forms and Documents	205
Appealing a Denied Claim.....	83		
Review Submitted Claim	83		
Determine Reason for Denial	84		
Supply Necessary Information	84		
Follow-up	84		
Writing Appeal Letters	84		
Appealing Specific Issues	84		
Commercial Insurance Appeals Process.....	84		
Internal Reviews	84		
External Reviews	85		
Involve the Patient	85		
Contact the State OMS or Dental Society.....	85		
File a Complaint with the State Insurance Commissioner	85		
Take Legal Action	85		
Medicare Part B Appeals Process	85		
References	86		
Chapter 9			
Miscellaneous Reimbursement Issues			
Healthcare Transparency Efforts	89		
Uses of Transparency Information.....	89		
Corporate Dentistry	90		
Computer-assisted Coding.....	90		
References	90		