

## Billing Education Article By Dr. Rhonda Church

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### COMMON BILLING ERRORS

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Working with your billing clerk and knowing what health service codes are being submitted on your behalf are key ways to reduce your chances of a poor audit outcome, or perhaps avoiding an audit altogether.

Three of the most common clerical errors for billing all revolve around health service code claims.

#### **Correct health service code**

At the time of audit, MSI sometimes finds a physician has used an incorrect health service code that's similar to the correct one. Thankfully, many of these similar codes pay at the same rate meaning there's no financial recovery necessary. However, the most common reason for an audit is that a physician is an outlier for that health service code in comparison to his or her peers.

Using the correct health service code may help to prevent an audit. Here are a few examples:

- **Cryotherapy of malignant or premalignant conditions**  
A physician was audited for health service code 98.12U – cryotherapy of malignant or premalignant conditions. At the time of audit, it was found that many of the services should have been billed using health service code 98.99F – cryotherapy of plantar warts or molluscum contagiosum.

These health service codes have the same dollar value so there was no financial recovery to MSI. However, had the physician been using the correct health service code, it's unlikely he would have surfaced as an outlier and an audit might never have been done.

- **Counselling or psychotherapy codes**  
Similar circumstances can arise when a physician bills incorrect counselling or psychotherapy codes. For example, it's common to find at the time of audit that a physician is claiming counselling or psychotherapy when he should be claiming lifestyle counselling. These two services have the same dollar value.
- **Drainage of abscesses or fluid collections**  
Some physicians have been claiming for health service code 62.0 (drainage of a liver abscess) for drainage of other abscesses or fluid collections. This has happened with some billing software as this code pops up first when the word "abscess" is searched.

#### **Correct business arrangement**

Be sure claims are going into the correct business arrangement. Many Nova Scotia physicians now receive part or all of their payment via an AFP or APP contract and shadow bill services they provide as required by the contract. However, many physicians also have a fee-for-service business arrangement that's used for other services such as WCB claims.

Each year, MSI encounters physicians who inadvertently enter large numbers of claims into the fee-for-service rather than the shadow billing business arrangement. In these cases, monies incorrectly billed fee-for-service must be repaid.

**Multiple health codes**

If multiple health codes are being billed for a single encounter, the primary or most important one should be claimed first.

Billing clerks who work for surgical specialists will be familiar with this, as subsequent surgical procedures are paid at a lesser rate than the first. However, it's important for other services as well. For example, a tray fee may be claimed when a physician administers a vaccine that's part of the provincial program. If a tray fee is claimed without a claim for a vaccine having been previously entered on that day, the tray fee won't be paid.

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