

Billing Education Article By Dr. Rhonda Church

REFERRALS AND TRANSFERRALS – A COMMON AUDIT SCENARIO

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MSI recently conducted an audit on Dr. B for his comprehensive consultations (health service code 03.08) after review of his profile indicated he was billing a significantly higher number of services using this code than his peers.

Dr. B. is a specialist who recently established his practice in a medical specialty in an urban centre in Nova Scotia. Another physician, Dr. C, left the same group for a position in another province and many of Dr. C's former patients were scheduled to see Dr. B for ongoing care. As the patients are new to him, Dr. B's billing clerk has been submitting a claim for a comprehensive consultation for his first encounter with Dr. C's former patients. Dr. B. is a member of a medium sized department with on-call duties shared between department members. Often, another member of the department will see a patient on consultation from the emergency department after hours and then ask Dr. B to see the patient for ongoing management. Dr. B. also bills a comprehensive consultation in this circumstance.

Rules for billing comprehensive consultations are set out in section 7.5 of the Preamble to the MSI Physicians' Manual. Requirements include a written request from a member of one of several groups of providers such as a physician, a nurse practitioner, an optometrist, a dentist or a midwife. An appropriate record must also be kept including performing and recording a complete history and physical appropriate to the physician's specialty. The physician must also provide a written report to the referring practitioner.

A transferral, in contrast to a referral, takes place when there has been a formal transfer of responsibility for the patient's care from one physician to another. This transfer may be either permanent or temporary. As outlined in Preamble section 7.8, the physician to whom the patient is transferred may not bill either a consultation or a comprehensive visit fee.

In the case of Dr. B, a large number of his comprehensive consultations were found to have been incorrectly billed as they were transferrals rather than referrals. Payments for the incorrect services were converted to payment for a continuing care visit. After review of the documentation, MSI initiated a recovery of approximately \$9,000.

Several other errors are commonly seen with consultations. These include billing consultations for ongoing care when there has been no formal request from another practitioner as well as billing consultations when a complete history and physical appropriate to the specialty hasn't been documented.

As with all health service codes, its important physicians know the billing rules for all codes they commonly use as well as the codes submitted on their behalf for each services.

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