

OST 148
MEDICAL CODING, BILLING AND INSURANCE

COURSE DESCRIPTION:

Prerequisites: None

Corequisites: None

This course introduces CPT and ICD coding as they apply to medical insurance and billing. Emphasis is on accuracy in coding, forms preparation, and posting. Upon completion, students should be able to describe the steps of the total billing cycle and explain the importance of accuracy. This course is a unique concentration requirement of the Medical Office Systems Technology concentration in the Office Systems Technology program. Course Hours Per Week: Class, 3. Semester Hours Credit, 3.

COURSE OBJECTIVES:

- a. Understand the basic concepts of medical insurance.
- b. Define common medical and diagnostic terms.
- c. Identify the background and importance of insurance claims completion, coding, and billing.
- d. Explain the purpose of coding professional services properly, using a procedure codebook.
- e. Distinguish between the major classes of health insurance contracts.
- f. Explain the basic steps in processing an insurance claim form.
- g. Prepare legally correct medical-legal forms.
- h. Describe the difference between CPT and ICD coding systems.
- i. Identify the differences between medical ethics and medical etiquette
- j. Use CPT and ICD coding accurately by using good proofreading skills.
- k. Determine the differences between medical ethics and medical etiquette.
- l. Describe various methods of payment by insurance companies and state and federal programs.
- m. Explain how insurance knowledge and medical knowledge can be kept current.
- n. Demonstrate a general knowledge of good computer skills.

OUTLINE OF INSTRUCTION:

- I. Health Insurance Specialist
 - A. Roles and Responsibilities
 - B. Health Insurance Overview
 - C. Basic Skill Requirement
 - D. Professional Credentials

- II. Introduction to Health Insurance
 - A. Definition of Health Insurance
 - B. Disability and Liability Insurance
 - C. Major Developments in Health Insurance
 - D. Health Insurance Coverage Statistics

- III. Managed Health Care
 - A. History of Managed Health Care
 - B. Managed Care Organizations
 - C. Managed Care Models
 - D. Accreditation of Managed Care Organizations
 - E. Effects of Managed Care on a Physician's Practice

- IV. Life Cycle of an Insurance Claim
 - A. Development of a Claim
 - B. Interview, Check-In Procedures, and Return Visits
 - 1. New Patient
 - 2. Established Patient
 - C. Postclinical Check-Out Procedures
 - D. Insurance Company Processing of a Claim
 - E. Maintaining Insurance Claim Files
 - F. Delinquent Claims

- V. Legal and Regulatory Considerations
 - A. Introduction to Legal and Regulatory Considerations
 - B. Confidentiality of Patient Information
 - C. Electronic Communication with Insurance Claims
 - 1. Telephone Inquiries
 - 2. Facsimile Transmission
 - 3. Confidentiality and the Internet
 - D. Retention of Patient Information and Health Insurance Records
 - E. Employee Retirement Income Security Act (*ERISA*)
 - F. Medical Necessity
 - G. Federal False Claims Act
 - H. Health Insurance Portability and Accountability Act of 1996

- VI. ICD-9-CM Coding
 - A. Introduction to ICD-9-CM
 - B. Outpatient Coding Guidelines
 - C. Primary and Principal Diagnoses
 - D. Principal versus Secondary Procedures
 - E. ICD-9-CM Coding System
 - 1. Index to Diseases
 - (a) Basic Steps for Using the Index to Diseases
 - 2. Tabular List of Diseases
 - 3. Index to procedures and Tabular List of Procedures
 - 4. Index to Diseases Tables
 - 5. Considerations to Ensure Accurate ICD-9-CM Coding
 - F. Supplementary Classifications
 - G. Coding Special Disorders
 - H. ICD-10-CM Diagnostic Coding for the Future

- VII. CPT Coding
 - A. CPT Coding System
 - B. CPT Categories, Subcategories, and Headings

- C. CPT Index
 - D. CPT Modifiers
 - E. Basic Steps for Coding Procedures and Services
 - F. Sections of the CPT
 - 1. Surgery Section
 - (a) Special Surgery Cases
 - 2. Medicine Section
 - 3. Radiology Section
 - 4. Pathology/Laboratory Section
 - 5. Evaluation and Management Section
 - (a) Evaluation and Management Categories
- VIII. HCPCS Coding System
- A. HCPCS Coding System
 - B. HCPCS Level II Codes
 - C. Determining Carrier Responsibility
 - D. Assigning HCPCS Level II Codes
- IX. CMS Reimbursement Issues
- A. Historical Perspective of CMS Reimbursement System
 - B. CMS Payment Systems
 - 1. Ambulance Fee Schedule
 - 2. Ambulatory Surgical Centers (*ASC*)
 - 3. Clinical Lab Diagnostic Fee Schedule
 - 4. Durable Medical Equipment, Prosthetics/Orthotics and Supplies Fee Schedule
 - C. Home Health Prospective Payment System
 - D. Hospital Inpatient Prospective Payment System
 - E. Inpatient Rehabilitation Facility Prospective Payment System
 - F. Long-Term Care Hospitals Prospective Payment System
 - G. Skilled Nursing Facility (*SNF*) Prospective Payment System
 - H. Medicare Physician Fee Schedule
 - I. Anesthesia, Pathology/Laboratory, and Radiology Services
- X. Coding for Medical Necessity
- A. Applying Coding Guidelines
 - B. CPT/HCPCS Billing Considerations
 - C. Coding from Case Scenarios
 - D. Coding from Clinic Notes and Diagnostic Test Results
 - E. Coding Operative Reports
- XI. Essential CMS-1500 Claim Instructions
- A. General Billing Guidelines
 - B. Optical Scanning Guidelines
 - C. Assignment of Benefits/Accept Assignment
 - D. Reporting Diagnoses: ICD-9-CM Codes
 - E. Reporting Procedures and Services: HCPCS
 - F. National Standard Employer Identifier Number
 - G. Reporting the Billing Entity
 - H. Processing the Secondary Claims

- I. Common Errors that Delay Processing
 - J. Final Steps in Processing Paper Claims
 - K. Maintaining Insurance Claim Files for the Practice
- XII. Filing Commercial Claims
- A. Commercial Claims
 - B. Claim Instructions
 - 1. Entering Patient and Policy Information
 - 2. Dates of Service and Diagnosis Codes
 - 3. Procedures, Services and Supplies
 - 4. Provider Information
 - C. Commercial Secondary Coverage
 - D. Modifications to Primary CMS-1500 Claims
 - E. Modifications to Secondary CMS-1500 Claims
- XIII. Blue Cross and Blue Shield Plans
- A. History of Blue Cross and Blue Shield (*BCBS*)
 - B. Blue Cross Blue Shield Plans
 - C. Billing Information Summary
 - D. Step-by-Step Claim Instructions
 - E. BCBS Secondary Coverage
- XIV. Medicare
- A. Eligibility
 - B. Enrollment
 - C. Medicare Part A Coverage
 - D. Medicare Part B Coverage
 - E. Providers
 - 1. Participating Providers
 - 2. Non-Participating Providers
 - 3. Private Contracting
 - F. Advance Beneficiary Notice
 - G. Medicare Plans
 - H. Medicare with Medigap Claims
 - I. Medicare-Medicaid Crossover Claims
 - J. Medicare Secondary Payer
 - K. Roster Billing for Mass Vaccination Programs
- XV. Medicaid
- A. Federal Eligibility Requirements for Medicaid
 - B. Medicaid Covered Services
 - C. Medicare-Medicaid Relationship
 - D. Medicaid as a Secondary Payer
 - E. Participating Providers
 - F. Medicaid and Managed Care
 - G. Medicaid Eligibility Verification System (*MEVS*)
 - H. Medicaid Remittance Advice
 - I. Utilization Review
 - J. Fraud and Abuse

- K. Medical Necessity
- L. Billing Information Notes
- M. Step-by-Step Claim Instructions
- N. Medicaid as Secondary Claims
- O. Mother/Baby Claims
- XVI. Tricare
 - A. Tricare Background
 - B. Tricare Administration
 - C. CHAMPVA
 - D. Tricare Options
 - E. Tricare Programs and Demonstration Projects
 - F. Tricare Supplemental Plans
 - G. Tricare Billing Information
 - H. Tricare with a Supplemental Policy
 - I. Tricare as Secondary Payer
- XVII. Workers' Compensation
 - A. Federal Workers' Compensation Programs
 - B. State Workers' Compensation Program
 - C. Eligibility for Coverage
 - D. Classification of Workers' Compensation Cases
 - E. Special Handling of Workers' Compensation Cases
 - F. First Report of Injury
 - G. Progress Reports
 - H. Appeals and Adjudication
 - I. Fraud and Abuse
 - J. Billing Information Notes
 - K. Workers' Compensation Claim Instructions
 - 1. Patient and Policy Identification

REQUIRED TEXTBOOKS AND MATERIALS:

Rowell, JoAnn C. and Green, Michelle A. Understanding Health Insurance, A Guide to Professional Billing. 8th ed. Thomson-Delmar Learning, 2005.

Rowell, JoAnn C. and Green, Michelle A. Understanding Health Insurance, A Guide to Professional Billing Workbook. 8th ed. Thomson-Delmar Learning, 2005.

STATEMENT FOR STUDENTS WITH DISABILITIES:

Students who require academic accommodations due to any physical, psychological, or learning disability are encouraged to request assistance from a disability services counselor within the first two weeks of class. Likewise, students who potentially require emergency medical attention due to any chronic health condition are encouraged to disclose this information to a disability services counselor within the first two weeks of class. Counselors can be contacted by calling 686-3652 or by visiting the Student Development Office in the Phail Wynn Jr. Student Services Center, room 1309.