

Charge Master Comprehensive Audit

The **PARA** charge master audit process utilizes the **PARA Data Editor (PDE)** to create a series of focused screens and reports utilized by the **PARA HIM Coding Staff** to identify and correct charge master errors, compliance issues, and missing charges.

The **PARA Data Editor** is the main tool used for the review; the **PDE** is available 24/7 to all Hospital Users.

There are 7 phases to the **PARA Charge Master Comprehensive Review** process:

1. Checking Invalid HCPCS and Revenue Codes
2. Checking Line Items for Charge Compliance and Modifiers
3. Checking Valid Code Assignment
4. Claim review
5. Interactive discussions with Managers (on-site or web meetings)
6. Checking pricing internally and against fee schedule and pricing data
7. Reporting and implementing updates

PARA Data Editor - Demonstration - SMS [Sales] dbDemoSMS [log out](#)

Select [Quote A Price](#) [Charge Maintenance](#) [Contracts](#) [Pricing Data](#) [Pricing](#) [Rx / Supplies](#) [Filters](#) [CDM](#) [Calculator](#) [Advisor](#) [Administration](#) [PARA](#)

Hospital: [Demonstration - SMS \[Sales\]](#)
CDM Date: [12/12/2008 \(Standard\) - 1001 Chgs Online](#)
Department: [11542 - Total Items: 00005](#)



Billing Indicators: [Map](#) Provider ID: **990001**
State: **CA** Area Wage Index:
Physicians Fee Schedule:
Fiscal Intermediary / MAC: [www.administar.com](#)
Quantity Date Range: **10/1/2007 to 9/30/2008**
FY End Date:
Account Exec:

Tech Support: **Travis Baseflug**
512-847-6136 tbaseflug@para-hcfs.com

Market Hospitals Group: [Geographic](#)

Market Hospitals	City	Provider ID
Regional Hospital (HOSP01)	ANYWHERE, CA	990001
Community Hospital (HOSP02)	ANYWHERE, CA	990002
Memorial Health System (HOSP03)	ANYWHERE, CA	990003
Northwest Regional Hospital (HOSP04)	ANYWHERE, CA	990004
General Hospital (HOSP05)	ANYWHERE, CA	990005
Southwest Healthcare (HOSP06)	ANYWHERE, CA	990006
Standard Hospital (HOSP07)	ANYWHERE, CA	990007
Sample Healthcare System (HOSP08)	ANYWHERE, CA	990008
Main Street Clinic (HOSP09)	ANYWHERE, CA	990009
Generic Northeast Healthcare (HOSP10)	ANYWHERE, CA	990010

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This application is best viewed with [Internet Explorer 8](#), a screen resolution of at least 1024 x 768, and using the F11 key to toggle your browser into full screen mode. All reports are in [PDF](#) format.

Bulletin Board

October 25, 2010

What's New at OIG

- [Payment for Drugs Under the Hospital Outpatient Prospective Payment System \(PDF\) \(OEI-03-09-00420\)](#)
- [Review of Resident Data Reported in the Intern and Resident Information System for Medicare Cost Reports Submitted to National Government Services Audit \(A-02-09-01021\)](#)

October 25, 2010

New Article Posted to MLN Matters

Note: If you missed any of the MLN Matters Articles notices over the previous 12 months, there is an archive available at: <https://list.nih.gov/cgi-bin/wa.exe?A0=MLNMATTERS-L>

New:

MM7120 - Influenza Vaccine Payment Allowances - Annual Update for 2010-2011 Season

<http://www.cms.gov/MLN MattersArticles/downloads/MM7120.pdf>

October 22, 2010

AHRQ Electronic Newsletter, Issue #298

October 22, 2010, Issue #298

AHRQ News and Numbers

Hospital charges for the most expensive patient stays at U.S. hospitals in 2008 averaged about \$18,000 per day. These patients were most likely to be in the hospital for treatment of septicemia, or blood infection, hardening of the arteries, and heart attacks. [Source: Agency for Healthcare Research and

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Charge Master Comprehensive Audit

Deliverables

1. Complete desk review of the charge master line items with quantity prior to on-site interviews to identify items that need further discussion with Department Managers.
2. Interactive discussion (on-site or web meetings) with each revenue generating Department Manager to review each active charge line item for correct codes, descriptions, pricing and reimbursement.
3. Claim review of 100 detail itemized and UB04 outpatient claims to identify missing charges, compliance problems and billing issues.
4. Quarterly updates to the charge master to keep current with Medicare coding regulations.
5. **PARA** shall provide support throughout the term of the contract for all coding, billing compliance questions via telephone conference calls, email, or the PDE.
6. **PARA** shall review and approval all charge master changes using the Charge Maintenance tab functionality in the PDE.

Timeline

Process	Period after receipt of data by PARA	Week Number							
		1	2	3	4	5	6	7	8
1. Engagement	N/A								
2. Processing of initial data set by PARA	2 weeks								
3. Review of charge master - desk audit	2 weeks								
4. Review of claims	2 weeks								
5. Departmental Meetings	1 week								
6. Final charge master review	3 weeks								
7. Implementation	1 week								

Charge Master Comprehensive Audit

Phase I – Coding Review

The first portion of the charge master audit will be a review of issues using the following filters:

PARA Data Editor - Demonstration - SMS [Sales] dbDemoSMS [log out](#)

Select Quote A Price Charge Maintenance Contracts Pricing Data Pricing Rx / Supplies **Filters** CDM Calculator Advisor Administration PARA

Coding Filters

Invalid

Invalid - CPT Only

Invalid - HCPCS Only

Invalid - Medicaid Only

Invalid - Non-Medicare Codes

Unit of service - per ml/sq cm

Compliance - Marked

Compliance - Identified for Review

Compliance - Modifiers

Pharmacy

Pharmacy - Self Admin Drugs - J Codes

Pharmacy - Self Admin Drugs - Currently Billed

☐ Recommended Changes ☒ Or ☐ And

☒ All ☐ Approved ☐ Not Approved

☐ Changed By

Online Adv: 1227

☐ Or ☐ And

☐ Comment By

AddB 2009

☐ Or ☐ And

☐ Transmittal

PET Modifiers July 2009

☐ Service

Allergy

☐ Quantity

☒ With ☐ Without

☐ Search for Codes and Descriptions

Or And Excl

HCPCS/CPT Codes:

☐ ☐ ☐

UB Codes:

☐ ☐ ☐

Description:

☐ ☐ ☐

Procedure:

☐ ☐ ☐

Modifiers:

☐ ☐ ☐

OE Mnemonic:

☐ ☐ ☐

NDC:

☐ ☐ ☐

Pricing Filters

☐ Recommended Price

☐ Same CPT® w/ Different Price

☐ Relative To Market

☒ Below Average ☐ Below Midpoint ☐ Above High

Market Inflator: %

☐ Price Below Clinical Lab

☐ Price Below Professional Fees

☐ Price Below DME

☐ Price Below APC Status T

☐ Price Below APC Status S

☐ Price Below APC Status X

Quote A Price

☐ Package

Laparoscopic Cholecystectomy

☐ Add On

CT Contrast

CDM

Department:

11542 - Total Items: 00005

Sort By:

Procedure Code

☒ Ascending ☐ Descending

View CDM By:

☒ Detail ☐ Summary

View CDM

Clear All Filters

Reports

Audit:

Unit of service - per ml/sq cm

Create PDF

Service:

Allergy

Create PDF

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1. **Invalid** - This filter will list each line item which has an incorrect code. The codes will be listed in “red”, with any recommended changes displaying in green.
2. **Unit of service – per ml/sq cm** – This filter will find all items in the charge master which should be billed using a unit of service identified in the HCPCS code. The User will need to review each line and determine if the charge is correct per unit of service, or the correct units of service have been entered into the billing system to adjust the units on the UB04. The hospital units of service adjusted will be displayed in the **PDE CDM tab** for the filtered items.
3. **Pharmacy – Self Admin Drugs – J Codes** – This filter is based on the Medicare list of SAD J coded drugs. The filter will allow the User to review each line, verify the code is correct, update the code, and then to be sure the line is coded to be billed to the Patient under the SAD rules.

Charge Master Comprehensive Audit

Phase I – Coding Review (continued)

4. **Pharmacy – Self Admin Drugs – Identified for review** - This is a “keyword” search filter to display the lines in the charge master which appear to be SAD and are not coded correctly in the system. The User can then review the line items and assign the correct code for billing.
5. **DME – OPPOS Exempt ID for Review** – This “keyword” filter will identify all line items in the charge master which may be billed using a DME code and the 0274 revenue code. The User will be able to create a report to be reviewed by Materials to determine the correct “L” code to be applied.
6. **Consistency** – In some of the more complex patient accounting systems there are opportunities to maintain a number of different “third party indicators”, all of the “indicators” are mapped to a code type (CPT, Medicare, Medicaid, Workers Comp, or Other), within the **PARA PDE**. This filter will assist the User in making sure the codes and segments within a code type are internally consistent. This filter allows the User to identify the “background” codes which are different from the main upfront displayed codes and make corrections.
7. **Blood** – Review of blood charges to be sure that the Hospital does not incur a blood deductible for products billed using the 038X rev code series.
8. **ED, Urgent Care, Provider Based Clinics, and Nursing Procedures** – Review of the department charges to be sure the hospital is billing for the technical portion of physician procedures, and all separately billable nursing procedures are charged and coded.
9. **Radiology Interventional Procedures** – Review the imaging departments to be sure all surgical procedures are coded and charged.
10. **Implants** – **PARA** reviews all line items which contain key words in the charge description to be sure the implant revenue codes are assigned correctly.

Charge Master Comprehensive Audit

Phase I – Coding Review (continued)

Pharmacy J code and Unit of Service Review – This review utilizes the CMS National Drug Code (NDC) to HCPCS J code audit file.

PARA processes the Pharmacy clinical NDC data table into the PDE and then audits the currently assigned J codes and unit of service.

The **PDE NDC / J Code Audit sub-tab** is utilized for this review; **PARA** will identify all invalid NDC codes, incorrectly assigned J codes, and incorrect units of service.

Select Quote A Price Charge Maintenance Contracts Pricing Data Pricing Rx / Supplies Filters CDM Calculator Advisor Administration PARA

Pharmacy **NDC / J Code Audit** Supplies C Code Audit

CDM Procedures Invalid NDC (877)

	Department	Proc Code	Proc Desc	NDC	Quantity
1	5200	2500880	TYLENOL 325 MG TAB-- 2 TABS	63739000201 - Invalid	10396
2	5200	2500176	COLACE 100 MG 1 CAP	63739008901 - Invalid	7353
3	5200	2501626	PROTONIX 40MG INJ	00008092303 - Invalid	6989

Previous Next

Procedure Code	Billing Description	Quantity	Market	Cost	CPT@ / HCPCS	Revenue Code	Rx / Supply	Compl	CCI
OE Mnemonic-Active-	Charge Editable	O/P \$	High	Fixed	Medicare	Dflt	Orig U Mlt	Appr	LCD
		I/P \$	Low	Variable	Medicaid	OPPS	New U Mlt	Inctv	Dev
		Ovr Rd \$	Avg	Allocated	Other	Part B	ASP	Flag	SC
		Eff Dt	Midpnt	Total		Other	AWP	QAP	Nts
		CCM		Workload			Acq Cost	Ex	
		OE \$						Hold	
1	TYLENOL 325 MG TAB-- 2 TABS	10,396.00			InvalidNDC	0637			
	63739000201 - Invalid						Pharmacy - Extension of 025X - Self Administrable Drugs		
		mm/dd/yy							

63739 TYLENOL 325 MG TAB-- 2 Go

NDC Codes

NDC	Labeler	Drug	Drug Name	Trade Name	Dosage	Package Size	Bill Units	Bill Units Package	Has J Code
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Charge Master Comprehensive Audit

Phase II - Review of Line Items for Charge Compliance and Modifiers

1. **Compliance – Identified for Review** – The compliance ID for review filter is driven by the “Wheatland’s” Medicare billable item PDF. This document can be found in the **Hospital Downloads** section of the PDE **Select tab**. The filter will search the charge master for compliance keywords and identify the items which should not be billed to the Program.
2. **Compliance – Modifiers** – With the focus on modifiers, this filter and review allows the User to review all modifiers “hard coded” in the charge master to be absolutely sure the auto application of the modifier is correct.

Medicare Chargeable Items List

The determination regarding whether a service, supply or equipment is chargeable is based upon:

- The Kansas Fiscal Intermediary’s (FI) interpretation and application of existing Medicare laws and regulations or CMS manuals and other instructions regarding coverage, charging and billing.
- Absent specific regulatory or CMS guidance, a provider survey to determine the common or established classification of an item or service as routine and not separately chargeable or separately chargeable as an ancillary item wherein 40% or more of responding providers made a separate ancillary charge for a particular item or service.

Some items on the chargeable items list were based upon surveys conducted by the Kansas Hospital Association. Survey results were reviewed by a committee of hospital representatives and the Kansas Fiscal Intermediary.

The first survey to determine “common and established” charging practices in Kansas was performed in 1997. In December 1998, the FI published M-K Letter 99-1 containing the results of the survey. A second survey was performed in 2006.

This list is not all-inclusive.

The authoritative source for reliance on a survey to determine charging practices by hospitals in the state of Kansas is the following citation from the Provider Reimbursement Manual (PRM) 15-1, Chapter 22, Section 2203 Provider Charge Structure as Basis for Apportionment.⁽¹⁾

The authoritative sources for classifying a service, supply or equipment as routine or ancillary are PRM 15-1, Section 2202.6 Routine Services and Section 2202.8 Ancillary Services.⁽¹⁾ (Note: CMS responded to the Kansas FI, on August 24, 2006, and is in agreement with this source. Nursing services to patients in the routine rooms are part of the routine room and board charge.)

Charge Master Comprehensive Audit

Phase III – Coding Validation and Usage

The third portion of the charge master review is to identify items which are coded incorrectly, but the code is a valid code, or if the service assigned to the code is inconsistent with other services assigned to the same code. The process utilized for this review will be contained in the **Audit Report** section on the right side of the **Filters Tab**.

PARA Data Editor - Demonstration - SMS [Sales] dbDemoSMS [log out](#)

Select Quote A Price Charge Maintenance Contracts Pricing Data Pricing Rx / Supplies **Filters** CDM Calculator Advisor Administration PARA

Coding Filters

Invalid
Invalid - CPT Only
Invalid - HCPCS Only
Invalid - Medicaid Only
Invalid - Non-Medicare Codes
Unit of service - per ml/sq cm
Compliance - Marked
Compliance - Identified for Review
Compliance - Modifiers
Pharmacy
Pharmacy - Self Admin Drugs - J Codes
Pharmacy - Self Admin Drugs - Currently Billed

☐ Recommended Changes ☒ Or ☐ And
☒ All ☐ Approved ☐ Not Approved

☐ Changed By Online Adv: 1227 ☐ Or ☐ And
☐ Comment By AddB 2009 ☐ Or ☐ And
☐ Transmittal PET Modifiers July 2009
☐ Service Allergy
☐ Quantity
☒ With ☐ Without

☐ Search for Codes and Descriptions Or And Excl
HCPCS/CPT Codes: ☒ ☐ ☐
UB Codes: ☒ ☐ ☐
Description: ☒ ☐ ☐
Procedure: ☒ ☐ ☐
Modifiers: ☒ ☐ ☐
OE Mnemonic: ☒ ☐ ☐
NDC: ☒ ☐ ☐

Pricing Filters

☐ Recommended Price
☐ Same CPT® w/ Different Price
☐ Relative To Market
☒ Below Average ☐ Below Midpoint ☐ Above High Market Inflator: %
☐ Price Below Clinical Lab
☐ Price Below Professional Fees
☐ Price Below DME
☐ Price Below APC Status T
☐ Price Below APC Status S
☐ Price Below APC Status X

Quote A Price

☐ Package Laparoscopic Cholecystectomy
☐ Add On CT Contrast

CDM

Department: 11542 - Total Items: 00005
Sort By: Procedure Code
☒ Ascending ☐ Descending
View CDM By: ☒ Detail ☐ Summary

Reports

Audit: Unit of service - per ml/sq cm
Service: Allergy

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The service line filters and audit reports are based on CPT/HCPCS codes contained in the CMS Addendum B, each of the codes are tied to a service line, in some cases a single code can be tied to several service lines. By listing the codes in CPT/HCPCS code sequence the codes are grouped together and allow a fast and efficient review. The **Service Line Filters** and **Audit Reports** can be utilized to identify any codes which are not currently contained in the charge master or where codes, prices or usage is incorrect.

The **Service Line Filters** and **Audit Reports** are very useful for multi-hospital groups to tie similar codes across different hospitals and departments, for consistent coding, charge descriptions and pricing.

Charge Master Comprehensive Audit

Phase IV – Claim Review

PARA will review a minimum of 100 Medicare Outpatient claims to identify system, charge process capture issues, coding and compliance errors. The review will identify missing codes, charges, inappropriate modifier usage, missing or incorrect pharmacy codes and multipliers.

The **PARA Data Editor Claim Evaluator** sub tab is utilized in this review.

Select

Quote A Price

Charge Maintenance

Contracts

Pricing Data

Pricing

Rx / Supplies

Filters

CDM

Calculator

Advisor

Administration

PARA

Detail

Quick Add

Charge Forms

Claim Evaluator

August 2010

Group Admin

Claim Report(s)

Sort By: Patient Billing Acct No

Add New Claim

Claim Analysis/Edit

Claim Type	Patient Billing Acct No	Service From	Service Through	Total Charges
Rad Thera	200602010	04/13/2010	04/30/2010	\$26,604.09

Claim 1 of 75

Claim 1 of 75 total

Claim Form

Transactions

Diagnosis ICD9

Procedure ICD9

Comments/Notes

Original Data							Revised Data							Error	Late	Date
42 Rev. Co.	44 HCPCS	Mod. 1	Mod. 2	46 Serv. Units	47 Total Charges	Reimb	42 Rev. Co.	44 HCPCS	Mod. 1	Mod. 2	46 Serv. Units	47 Total Charges	Reimb	Error Code	Late?	DOS
0300	36415			1	\$8.10	\$3.00						\$8.10	\$3.00			04/30/10
0300	85025			1	\$159.46	\$11.14						\$159.46	\$11.14			04/30/10
0301	80048			1	\$226.33	\$12.12						\$226.33	\$12.12			04/30/10
0333	77014			1	\$440.55	\$0.00						\$440.55	\$0.00			04/13/10
0333	77290			1	\$1,251.76	\$245.87						\$1,251.76	\$245.87			04/13/10
0333	77295			1	\$3,823.83	\$856.13						\$3,823.83	\$856.13			04/15/10
0333	77300			4	\$1,899.20	\$380.11						\$1,899.20	\$380.11			04/15/10
0333	77331			4	\$2,135.60	\$380.11						\$2,135.60	\$380.11			04/22/10
0333	77334			1	\$1,420.82	\$175.98						\$1,420.82	\$175.98			04/13/10
0333	77334			4	\$5,683.28	\$703.92						\$5,683.28	\$703.92			04/15/10
0333	77336			1	\$514.55	\$95.03						\$514.55	\$95.03			04/23/10
Original Total Charges: \$26,604.09						Original Reimbursement Total: \$4,825.29	Revised Total Charges: \$26,604.09						Revised Reimbursement Total: \$4,825.29			

Save/Run Reimbursement

Add New Claim Detail

Delete Selected Claim Detail(s)

Charge Master Comprehensive Audit

Phase IV – Claim Review (continued)

If the claims are “built” in the **PARA** system utilizing the transaction data set on file, the detail transactions are available for access and review.

Select Quote A Price **Charge Maintenance** Contracts Pricing Data Pricing Rx / Supplies Filters CDM Calculator Advisor Administration PARA

Detail Quick Add Charge Forms **Claim Evaluator**

August 2010 Group Admin Claim Report(s) Sort By: Patient Billing Acct No

Add New Claim **Claim Analysis/Edit**

Claim Type	Patient Billing Acct No	Service From	Service Through	Total Charges
Rad Thera	200602010	04/13/2010	04/30/2010	\$26,604.09

Claim 1 of 75 Claim 1 of 75 total

Claim Form Transactions Diagnosis ICD9 Procedure ICD9 Comments/Notes

Original Data								Revised Data								Error	Late	Date
42 Rev. Co.	44 HCPCS	Mod. 1	Mod. 2	46 Serv. Units	47 Total Charges	Reimb		42 Rev. Co.	44 HCPCS	Mod. 1	Mod. 2	46 Serv. Units	47 Total Charges	Reimb	Error Code	Late?	DOS	
0300	36415			1	\$8.10	\$3.00							\$8.10	\$3.00			04/30/10	
0300	85025			1	\$159.46	\$11.14							\$159.46	\$11.14			04/30/10	
0301	80048			1	\$226.33	\$12.12							\$226.33	\$12.12			04/30/10	
0333	77014			1	\$440.55	\$0.00							\$440.55	\$0.00			04/13/10	
0333	77290			1	\$1,251.76	\$245.87							\$1,251.76	\$245.87			04/13/10	
0333	77295			1	\$3,823.83	\$856.13							\$3,823.83	\$856.13			04/15/10	
0333	77300			4	\$1,899.20	\$380.11							\$1,899.20	\$380.11			04/15/10	
0333	77331			4	\$2,135.60	\$380.11							\$2,135.60	\$380.11			04/22/10	
0333	77334			1	\$1,420.82	\$175.98							\$1,420.82	\$175.98			04/13/10	
0333	77334			4	\$5,683.28	\$703.92							\$5,683.28	\$703.92			04/15/10	
0333	77336			1	\$514.55	\$95.03							\$514.55	\$95.03			04/23/10	
Original Total Charges: \$26,604.09					Original Reimbursement Total: \$4,825.29			Revised Total Charges: \$26,604.09					Revised Reimbursement Total: \$4,825.29					

Save/Run Reimbursement Add New Claim Detail Delete Selected Claim Detail(s)

Each of the “corrections” to a claim is assigned an error code for reporting.

Claim Form Transactions Diagnosis ICD9 Procedure ICD9 Comments/Notes

Original Data								Revised Data								Error	Late	Date
42 Rev. Co.	44 HCPCS	Mod. 1	Mod. 2	46 Serv. Units	47 Total Charges	Reimb		42 Rev. Co.	44 HCPCS	Mod. 1	Mod. 2	46 Serv. Units	47 Total Charges	Reimb	Error Code	Late?	DOS	
0300	36415			1	\$8.10	\$3.00							\$8.10	\$3.00			04/30/10	
0300	85025			1	\$159.46	\$11.14							\$159.46					
0301	80048			1	\$226.33	\$12.12							\$226.33					
0333	77014			1	\$440.55	\$0.00							\$440.55					
0333	77290			1	\$1,251.76	\$245.87							\$1,251.76					
0333	77295			1	\$3,823.83	\$856.13							\$3,823.83					
0333	77300			4	\$1,899.20	\$380.11							\$1,899.20					
0333	77331			4	\$2,135.60	\$380.11							\$2,135.60					
0333	77334			1	\$1,420.82	\$175.98							\$1,420.82					
0333	77334			4	\$5,683.28	\$703.92							\$5,683.28					
0333	77336			1	\$514.55	\$95.03							\$514.55					
Original Total Charges: \$26,604.09					Original Reimbursement Total: \$4,825.29			Revised Total Charges: \$26,604.09										

Save/Run Reimbursement Add New Claim Detail Delete Selected Claim Detail(s)

- 01 - Incorrect CPT code
- 02 - Incorrect Revenue Code
- 03 - Incorrect Units of Service
- 04 - Omitted CPT code
- 05 - CCI Conflict
- 06 - Incorrect Modifier
- 07 - Omitted Modifier
- 08 - DX Code Omitted
- 09 - DX Code Incorrect
- 10 - DX Code Specificity Error
- 11 - DX Code lack of MD Documentation
- 12 - DX Code Guideline Error
- 13 - DX Transfer to Bill Error
- 14 - Pass through Code Omitted
- 15 - MD Documentation Issue

Charge Master Comprehensive Audit

Phase IV – Claim Review (continued)

The number of claims and supporting documentation for each type of claim is noted in the table below.

Outpatient Claim Type	Description	Minimum Number of Claims	Supporting Documents
Interventional Radiology	Breast Biopsy, Cyst Aspiration, Percutaneous Biopsy, Pain Injections	8	Radiology Report
Pacemaker	Initial Placement and Replacements	4	Cath Lab/Surgical Report and HIM abstract if performed in surgery
Cath Lab	Left Heart, Combo Left & Right Heart, Stent Placement	6	Cath Lab Report
Angiography	Stent Placement, Aortogram with runoff, Declot Fistula, Dialysis Fistula	8	Procedure Report
Surgical	Include claims from simple to complex surgeries, multiple procedures, bilateral and unilateral services	8	Surgical Report and HIM Abstract Worksheet
Chemotherapy	Multiple infusions, hydration, clinical visits, injections	4	Nursing Notes
Observation	Emergency Room observation admits, direct admit from a physician office	4	Physician Notes, orders and Nursing Notes
Emergency Room	Critical care, surgical procedures, blood transfusion, IV infusions, injections	5	Physician and Nursing Notes, transcribed dictation, radiology reports, ER level assignment form
Blood Transfusion	If not available as standalone claims, provide claims from other areas i.e., ER	3	Nursing Notes
Rehab – PT, OT, Speech	Claims from each modality with evaluation and therapy charges	4	Therapist notes

Charge Master Comprehensive Audit

Phase IV – Claim Review (continued)

Number of claims by type and supporting documentation (continued)

Outpatient Claim Type	Description	Minimum Number of Claims	Supporting Documents
Diagnostic Imaging	Claims from each: Radiology, CT, Nuclear Medicine, Mammography, MRI, Ultrasound	12	Radiology Reports
Wound Care	Include 2 claims from each: new office visit, recurring visit, graft, debridement, hyperbaric oxygen therapy	6	Nursing Notes
Clinical Lab	Multiple tests on a single claim	4	Lab Information System listing
IV Infusions	Hydrations, Infusions and Injections	6	Nursing Notes
OB Outpatient, Labor check	Non Stress tests, monitoring, IV Therapy	4	Nursing Notes
Smoking Cessation	Complete course of care	2	Procedure Notes
Medical Nutritional Therapy	Diabetes self management training	4	Procedure Notes
Sleep Lab	Complete overnight study, CPAP titration, home studies	4	Procedure Notes
Pulmonary Rehab	Complete course of care	2	Procedure Notes
Cardiac Rehab	Complete course of care	2	Procedure Notes
Total Minimum Number of Claims		100	

Charge Master Comprehensive Audit

Phase IV – Claim Review (continued)

There are several reports which can be generated ad hoc by the User, with two different sort options.

Select Quote A Price Charge Maintenance Contracts Pricing Data Pricing Rx / Supplies Filters CDM Calculator Advisor Administration PARA

Detail Quick Add Charge Forms Claim Evaluator

August 2010 Group Admin Claim Report(s) Sort By: Patient Billing Acct No

Add New Claim Claim Analysis/Edit

Claim Type Patient Billing Acct No Service
Rad Thera 200602010 04/13/2 \$26,604.09

Claim 1 of 75 Claim 1 of 75 total

Claim Form Transactions Diagnosis ICD9 Procedure ICD9 Comments/Notes

Original Data										Revised Data										Error	Late	Date
42 Rev. Co.	44 HCPCS	Mod. 1	Mod. 2	46 Serv. Units	47 Total Charges	Reimb	42 Rev. Co.	44 HCPCS	Mod. 1	Mod. 2	46 Serv. Units	47 Total Charges	Reimb	Error Code	Late?	DOS						
0300	36415			1	\$8.10	\$3.00						\$8.10	\$3.00			04/30/10						
0300	85025			1	\$159.46	\$11.14						\$159.46	\$11.14			04/30/10						
0301	80048			1	\$226.33	\$12.12						\$226.33	\$12.12			04/30/10						
0333	77014			1	\$440.55	\$0.00						\$440.55	\$0.00			04/13/10						
0333	77290			1	\$1,251.76	\$245.87						\$1,251.76	\$245.87			04/13/10						
0333	77295			1	\$3,823.83	\$856.13						\$3,823.83	\$856.13			04/15/10						
0333	77300			4	\$1,899.20	\$380.11						\$1,899.20	\$380.11			04/15/10						
0333	77331			4	\$2,135.60	\$380.11						\$2,135.60	\$380.11			04/22/10						
0333	77334			1	\$1,420.82	\$175.98						\$1,420.82	\$175.98			04/13/10						
0333	77334			4	\$5,683.28	\$703.92						\$5,683.28	\$703.92			04/15/10						
0333	77336			1	\$514.55	\$95.03						\$514.55	\$95.03			04/23/10						
Original Total Charges: \$26,604.09						Original Reimbursement Total: \$4,825.29	Revised Total Charges: \$26,604.09						Revised Reimbursement Total: \$4,825.29									

The reports present all data elements, corrections and descriptions, in Detail or Summary view.

Patient Account: 200583652				Dates of Service: 4/19/2010 - 4/29/2010													
Total Charges: 3,097.98				Claim Type: Blood Trans													
Orig. HCPCS	Rev. HCPCS	Proc Code	Proc Desc	Orig. Rev Code	Rev. Rev Code	Orig. MOD 1	Orig. MOD 2	Rev. MOD 1	Rev. MOD 2	Orig. Units	Rev. Units	Date of Service	Error Code	Orig. Total Charges	Orig. Reimb	Rev. Total Charges	Rev. Reimb
36415		360001	PHLEBOTOMY CHARGE	0300						1		04/19/10		8.10	3.00		
85025		363108	CBC COMPLETE BLOOD COUNT	0300						1		04/19/10		159.46	11.14		
36415		360001	PHLEBOTOMY CHARGE	0300						1		04/22/10		8.10	3.00		
85025		363108	CBC COMPLETE BLOOD COUNT	0300						1		04/22/10		159.46	11.14		
		123739	DIPHENHYDRAM 12 5MG SML	0250						4		04/29/10		6.60	0.00		
		650640	SOL .5% SOD CHLOR 250CC	0258						1		04/29/10		3.00	0.00		
36415		360001	PHLEBOTOMY CHARGE	0300						1		04/29/10		8.10	3.00		
85025		363108	CBC COMPLETE BLOOD COUNT	0300						1		04/29/10		159.46	11.14		
86850		581007	COOMBS INDIRECT SCREEN	0300						1		04/29/10		110.31	13.66		
86900		581088	ABO BLOOD TYPE	0300						1		04/29/10		83.93	7.23		
86901		581089	RH BLOOD TYPE	0300						1		04/29/10		59.29	7.23		
86922		581105	CROSSMATCH AHG	0300						1		04/29/10		216.48	23.24		
86922		581105	CROSSMATCH AHG	0300					59	1		04/29/10		216.48	23.24		
85014		363088	HEMATOCRIT	0305					91	1		04/29/10		56.35	3.39		
85018		363022	HEMOGLOBIN	0305					91	1		04/29/10		44.36	3.39		
P9016		581080	LEUKOREduced RED CELLS	0390						2		04/29/10		1,199.00	344.80		
36430		867705	TRANSFUSION BLOOD COMPON	0391						1		04/29/10		599.50	210.40		
Totals														3,097.98	678.99	3,097.98	678.99
HCPCS/CPT CODES/DESCRIPTIONS																	
Code	Description																
36415	Collection of venous blood by venipuncture																
36430	Transfusion, blood or blood components																

Charge Master Comprehensive Audit

Phase IV – Claim Review (continued)

PARA will accept the claims in a number of formats:

1. Submission of claims from an electronic 837 file import (recommended method)
2. Submission of claims from an account header and transaction file, in addition to submitting the diagnosis ICD-9 and the billing HIM assigned HCPCS information and claims data, either in a data table or hard copy (paper) format
3. Submission of claims in hard copy (paper) format, extra charge to be billed for the keying of the claims

DE-IDENTIFY THE CLAIMS. PARA will use the patient control or account number in box #3 on the UB04 for the identifier.

Provide claims billed to Medicare, the review is based on Medicare billing guidelines.

Each claim needs to include the UB04 and Itemized Bill.

PARA will review the claims and produce a list of medical records and the portion of the record required for additional review. This will preclude the Provider from having to copy or scan many pages of records which may not be required.

Mail the paper portion of the claim review to:

Claim Review

PARA

Attn: Peter A. Ripper

4801 East Copa De Oro Drive

Anaheim, CA 92807

The data tables submitted for the claim review should be transmitted using the **PARA** secure file transfer process, the link is pasted below.

https://apps.para-hcfs.com/pde/documents/PARA_FileTransferUserGuide.pdf

If you have questions, please contact your Account Executive at (800) 999-3332.

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Phase V– Interactive Discussion with Managers

PARA will conduct either **on-site or web meetings** for all interactive discussions with Department Managers to review all active charge line items for correct coding and descriptions, additional coding/charging opportunities, and hospital specific goals.

Memorandum

To: Directors and Department Managers

From:

Re: PARA On-site Visit

Date:

We have retained the services of PARA Healthcare Financial Services, a hospital financial consulting company to assist us in the review of our Charge Description Master, billing and charge compliance.

The review will focused on CPT/HCPCS codes, Medicare APCs, compliance with billing regulations, charge capture and pricing.

Peter Ripper, of PARA will be conducting on-site meetings with each Revenue Department Manager to review all charging, coding, compliance and billing issues.

_____ of my Staff will also be attending the meetings.

Peter is scheduled to be here on **(Date)** and **(Date)** to perform the on-site portion of the review. This engagement may require one or more meetings with you. The first set of meetings will be held in the **(Conference Room Name)** and will run from **(Beginning Time)** to **(End Time)**.

I have attached a list of departments and the amount of time Peter has estimated for the first meeting, based on each Department's complexity.

Please review the list and e-mail me with several times that you would be available. As you will see the Business Office will be the first meeting scheduled, the Department meetings will follow.

To prepare yourself for the meeting, please review your charges and codes, if you would like a charge listing from the PARA system, email Mary at mmcdonnell@para-hcfs.com with your department G/L numbers. Mary will assign you a login to the PARA system and give you access to the PARA Data Editor user's manual.

Charge Master Comprehensive Audit

Phase V– Interactive Discussion with Managers (continued)

Memorandum (continued)

Please bring the following to your meeting; these items will assist Peter in understanding your charge process.

- Any charge sheets or process that you may utilize
- Copies of any claims, bills or regulations that are of a concern
- Pricing worksheets or schedules (pharmacy and materials)

Additionally, please be prepared to discuss any coding, compliance and pricing issues that are of concern.

Please invite any member of your Staff to attend the meeting that is involved in the charge process.

Charge Master Comprehensive Audit

Phase V– Interactive Discussion with Managers (continued)

Memorandum (continued)

Date

Department Meetings - Time Requirements (in hours)

Department	Hrs
Business Office <ul style="list-style-type: none">• First meeting of the visit• Review of current issues – this will help frame the remainder of the meetings	1
Cardiology – EEG, EKG, Echocardiography, Cardiac Rehab	1
Emergency Room - Trauma	1
Inpatient Daily Hospital Services	1
Labor and Delivery	1
Laboratory – Pathology – Blood Bank	1.5
Materials – Medical /Surgical Supplies	1
Outpatient / Ambulatory Nursing Services	1
Pharmacy	1
Radiology – Diagnostic, Ultra Sound, MRI, CT, Nuclear Med, Fluoroscopy, Mammography, Interventional Procedures	2
Rehab Services – Physical Therapy, Occupational Therapy, Speech	1
Respiratory Therapy / Pulmonary Function / Sleep Lab	1
Surgical Services – Operating Room	1
Women’s Center	1
Please add any additional Departments	1

Charge Master Comprehensive Audit

Phase VI – Checking Pricing Internally and Against Fee Schedule and Pricing Data

The **Filters Tab** within the **PDE** contains a number of different views/filters to review prices against various fee schedules and pricing data extracted from Medicare claim data.

The available pricing filters are as follows:

1. Same CPT with a different price
2. Below Market average market price
3. Below 85th percentile market price
4. Above market high price
5. Price below clinical lab fee schedule
6. Price below Professional Fee schedule
7. Price below DME fee schedule
8. Price below APC Status T
9. Price below APC Status S
10. Price below APC Status X

The market pricing filters contain the most current peer market pricing data available, the market prices are always up to date for every User within the **PDE**.

The screenshot displays the 'Filters' tab in the PDE system. The interface is divided into several sections:

- Coding Filters:** Includes a list of compliance and pharmacy-related filters, radio buttons for 'Recommended Changes' (All, Approved, Not Approved), dropdowns for 'Changed By' and 'Comment By', a 'Transmittal' dropdown, a 'Service' dropdown, a 'Quantity' radio button, and a 'Search for Codes and Descriptions' section with input fields for HCPCS/CPT Codes, UB Codes, Description, Procedure, Modifiers, OE Mnemonic, and NDC.
- Pricing Filters:** Includes checkboxes for 'Recommended Price', 'Same CPT w/ Different Price', 'Relative To Market' (with radio buttons for 'Below Average', 'Below Midpoint', 'Above High' and a 'Market Inflator' field), 'Price Below Clinical Lab', 'Price Below Professional Fees', 'Price Below DME', 'Price Below APC Status T', 'Price Below APC Status S', and 'Price Below APC Status X'.
- Quote A Price:** Includes a 'Package' dropdown and an 'Add On' dropdown.
- CDM:** Includes a 'Department' dropdown, a 'Sort By' dropdown, radio buttons for 'Ascending' and 'Descending', a 'View CDM By' dropdown, and a 'View CDM' button.
- Reports:** Includes an 'Audit' dropdown, a 'Service' dropdown, and 'Create PDF' buttons.

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Phase VII - Reporting and Implementing Updates

There are a number of different reporting filters available; the User can “build” a report using a number of filters, with logic to include, exclude or “find” exact matches.

Upon assigning a filter the User will then create the CDM by clicking on the **CDM** tab.

PARA Data Editor - Demonstration Hospital [Sales] dbDemo [log out](#)

Select [Quote A Price](#) [Charge Maintenance](#) [Contracts](#) [Pricing Data](#) [Pricing](#) [Rx / Supplies](#) **Filters** [CDM](#) [Calculator](#) [Advisor](#) [Administration](#) [PARA](#)

Coding Filters

Invalid
Invalid - CPT Only
Invalid - HCPCS Only
Invalid - Medicaid Only
Invalid - Non-Medicare Codes
Unit of service - per ml/sq cm
Compliance - Marked
Compliance - Identified for Review
Compliance - Modifiers
Pharmacy
Pharmacy - Self Admin Drugs - J Codes
Pharmacy - Self Admin Drugs - Currently Billed

☒ Recommended Changes ☒ Or ☐ And
☒ All ☐ Approved ☐ Not Approved
☐ Changed By: Online AddB 2009 ☒ Or ☐ And
☐ Comment By: pripper ☒ Or ☐ And
☐ Transmittal: PET Modifiers July 2009
☐ Service: Allergy
☐ Quantity
☒ With ☐ Without
☐ Search for Codes and Descriptions ☐ Or ☐ And ☐ Excl
HCPCS/CPT Codes: ☒ ☐ ☐
UB Codes: ☒ ☐ ☐
Description: ☒ ☐ ☐
Procedure: ☒ ☐ ☐
Modifiers: ☒ ☐ ☐
OE Mnemonic: ☒ ☐ ☐
NDC: ☒ ☐ ☐

Pricing Filters

☐ Recommended Price
☐ Same CPT@ w/ Different Price
☐ Relative To Market
☒ Below Average ☐ Below Midpoint ☐ Above High Market Inflator: %
☐ Price Below Clinical Lab
☐ Price Below Professional Fees
☐ Price Below DME
☐ Price Below APC Status T
☐ Price Below APC Status S
☐ Price Below APC Status X

Quote A Price

☐ Package: 00 Test
☐ Add On: CT Contrast

CDM

Department: All
Sort By: Procedure Code
☒ Ascending ☐ Descending
View CDM By: ☒ Detail ☐ Summary [View CDM](#)
[Clear All Filters](#)

Reports

Audit: Unit of service - per ml/sq cm [Create PDF](#)
Service: Allergy [Create PDF](#)

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The User then has options on how the report is to be sorted (procedure code, HCPCS / CPT code, gross revenue, charge description) and reported (PDF or Excel) in summary view or detail view.

127 4775 - 7352305 PT PROSTHETIC TRAIN 15 MIN 75.00 mm/dd/yy A - Not Paid Under OPPS, Paid by FI.	97761 - Prosthetic training, upper and/or lower extremity(s), each 15 minutes X3910 - PHY THER TREAT INC MOD PROC EA ADD 15 MI	0420 0420 0420 0099 Physical Therapy - General Classification	CCI QAP
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Reports

CDM Detail - [PDF](#) [Excel](#)
CDM Summary - [PDF](#)

Navigation

All
☒ Display All Departments [Prev Dept](#) [Next Dept](#)

Sorting

By: Procedure Code
☒ Ascending ☐ Descending [Go](#)

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PARA Healthcare Financial Services

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Charge Master Comprehensive Audit

Phase VII- Reporting and Implementing Updates (continued)






The User also has options on how the codes are to be implemented within the hospital information system.

PARA provides a service to update the codes and prices using Boston Workstation, utilizing a VPN connection.

PARA Data Editor - Demonstration Hospital [Sales] dbDemo [log out](#)

Select Quote A Price Charge Maintenance Contracts Pricing Data Pricing Rx / Supplies Filters CDM Calculator Advisor Administration PARA

PARA Healthcare Financial Services - Hospital Systems Interfacing Capabilities [Go Back](#)



269	Health Care Benefit Coordination Verification: Used to transmit Health Care Benefit coordination information such as claim identification and previous payment from one Health Care Payer to another and report the positive or negative acknowledgment of payments.	Quote A Price - Pre-Cert	In development cycle
	Boston Workstation	Quote A Price (Eligibility Information) HIS Interfacing, charge master updates, pricing updates	Currently PARA can update Meditech, McKesson, and HMS. We will write custom scripts for all other systems
	HL7 - The HL7 Standard covers messages that exchange information in the general areas of: <ul style="list-style-type: none">• Patient Demographics• Patient Charges and Accounting• Patient Insurance and Guarantor• Clinical Observations• Encounters including Registration, Admission, Discharge and Transfer• Orders for Clinical Service (Tests, Procedures, Pharmacy, Dietary and Supplies)• Observation Reporting including Test Results• The synchronization of Master Files between systems• Medical Records Document Management• Scheduling of Patient Appointments and Resources• Patient Referrals—Specifically messages for primary care referral• Patient Care and problem-oriented records	Quote A Price, HIS Interfacing, charge master updates, pricing updates	Currently PARA can process HL7 messages

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PARA can also format a file for hospital upload with the specific header and trailer data elements assigned within the file.