

PARA Revenue Integrity Program

The goal of the **PARA Revenue Integrity Program (PRIP)** is to audit and enhance each aspect of the revenue cycle process to ensure that all appropriate revenue is created, captured, coded, priced and paid correctly within compliance guidelines.

Due to the current reduction in reimbursement and utilization, hospitals need to gain efficiencies; the **PRIP** will allow your hospital to dedicate Staff and resources to areas which will provide a greater return.

The **PRIP** will also integrate your Department Managers into the revenue cycle to make them active participants in charge creation, capture and reimbursement.

There are 5 components to the Program

1. Claim audit – charge capture, coding and compliance
2. Pricing – market based pricing with a relationship to fee schedules or cost
3. Charge Master – code review and maintenance
4. Compliance – HIM / Business Office assigned codes and modifiers
5. Revenue Management Committee – oversight, governance and guidance

The **PARA Data Editor (PDE)** is utilized in every aspect of the **PRIP**.

PARA Revenue Integrity Program

Claim audit – charge capture, coding and compliance

There are disparate data elements which flow together to create a patient claim, the goal of the claim review is to audit and reconcile as many data elements within the claim back to the originating source. The claim review will trace the following items from the claim to the medical record, departmental worksheets or remittance advices.

1. HIM coded surgical procedures
2. Separately billable nursing procedures
3. Supplies – charge capture, codes and compliance of charges
4. Drugs - codes and unit multipliers
5. Determination of the evaluation and management levels for emergency and clinic visits
6. Business Office / HIM assigned modifiers
7. Payments and denials

Claims are processed into the **PDE** using the **Charge Maintenance Claim Evaluator sub-tab**; the claims are either loaded by processing data tables within the **PDE** (header and transaction tables), EDI 837 records or manual keying. The **PARA HIM Staff** will review the claims with the supporting documentation for reporting back to the Revenue Management Committee (**RCM**).

The members of the **RCM** have 24/7 access to all segments of the **PDE** for continuing review.

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						

PARA Revenue Integrity Program

Pricing – market based pricing with a relationship to fee schedules or cost

Pricing is critical to revenue cycle success; the **PARA Market Based Pricing Program** is a sub-component of the **PRIP**.

The goal of the **MBPP** is to identify line items in the charge master which have negative patient satisfaction due to high prices, identify gross margin improvement opportunities due to low prices and to establish a rational pricing methodology by setting prices based on fee schedule, APC, cost or competitive market pricing data. There are seven steps in the **PARA** pricing process:

1. Interview with hospital finance administration to determine goals of the process
2. Assessment of competitive market pricing data, creation of “max” iteration
3. Loading of the managed care contract matrix into the **PDE Contracts tab**
4. Refinement of iteration parameters, processing of multiple iterations
5. Quality review, rounding and smoothing
6. Implementation
7. Follow-up

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

The screenshot displays the PARA Pricing application interface. At the top, there is a navigation menu with tabs: Select, Quote A Price, Charge Maintenance, Contracts, Pricing Data, Pricing, Rx / Supplies, Filters, CDM, Calculator, Advisor, Administration, and PARA. The main window is titled "Pricing Iteration Name" and contains a table with the following columns: Creator, Last Executed, Market Target, Raise Non Market, and Upper Limit.

Pricing Iteration Name	Creator	Last Executed	Market Target	Raise Non Market	Upper Limit
New Process Test 1	travis	07/21/2010			
Standard: Force compliance items to 1¢, hold all others					
Standard: Move to market average with max 50% increase, 10% increase for non-market items			Average	10	50
Standard: Move to market average with max 50% increase, hold non-market items			Average		50
Standard: Move to market midpoint with max 25% increase, 10% increase for non-market items			Midpoint	10	25
Standard: Move to market midpoint with max 25% increase, hold non-market items			Midpoint		25

Below the table, there is a "Remove" button and an "Import Pricing Iteration" button. The interface also features a detailed configuration panel on the left with sections for "Pricing Iteration Name", "Iteration Date Range", "Market Target" (Midpoint/Average), "Revenue Stream", and "Type/Value" table.

Type	Value
Market Target	Midpoint
Lower Limit	
Base CDM Date	01/31/2008
Date Range	undefined
Compliance	

On the right side of the configuration panel, there are dropdown menus for "Department" (0000) and "Price Categories" (Default). A "Parameters" table is also visible at the bottom right:

Code	Rate	Price Category
	Hold	Default
		Default
	1¢	Default

PARA Revenue Integrity Program

Pricing – market based pricing with a relationship to fee schedules or cost (continued)

As a part of the annual pricing process, **PARA** will reset the pharmacy and materials mark-up schedules.

The **Rx / Supplies** tab within the **PDE** is utilized for this review.

PARA has the ability to price drugs on any cost basis or average wholesale price, supplies are commonly priced on the basis of cost.

The tab also contains a process for researching pharmacy NDC codes and supply CMS “C” codes.

The **Rx / Supplies** tab also allows Department Managers a resource to price charge description master additions and changes utilizing the hospital specific mark-up schedule.

Copyright © 2010 Peter A. Ripper & Associates, Inc. | webmaster@para-hcfs.com | [Privacy Policy](#)
 CPT is a registered trademark of the American Medical Association

PARA Revenue Integrity Program

Charge Master – code review and maintenance

With the emergence of codes as the basis for almost all forms of reimbursement, charge master coding and maintenance has become a daily chore.

The **PARA HIM Staff** will review Medicare, Medicaid and Workers Comp code changes on a monthly basis and update the charge master where required, any changes which impact the charge creation and capture process will be reviewed in the monthly **RMC**.

The **PDE** will become the focal point for the charge master review, and the updates and changes will be available 24/7 for Manager review and comment. The **PDE** will also provide the Department Manager a one stop view of many different data elements within the revenue cycle.

1. Billing and technical descriptions
2. Pharmacy unit of service multipliers
3. Order entry mnemonics
4. Charge, cost and reimbursement
5. Summary market pricing data
6. CCI, LCD and NCD indicators

Select Quote A Price Charge Maintenance Contracts Pricing Data Pricing Rx / Supplies Filters CDM Calculator Advisor Administration PARA																									
CDM Detail														CDM Summary											
CDM Date: 4/29/2010 Department: All - Items: 3 (3 loaded) With Quantity, HCPCS/CPT Code: 99281																									
Quantity Date Range: 9/1/2009 to 8/31/2010																									
Procedure Code	Billing Description	Quantity	O/P \$	Market	Cost	CPT® / HCPCS			Revenue Code				Rx / Supply		Compl	CCI									
						Fixed	Variable	Allocated	Total	Dft	OPPS	Part B	Other	Orig U			Mlt	Appr	LCD						
Technical Description	NDC / UPN	I/P \$	High	Low	Avg	CPT®	Medicare	Medicaid	Other	Only	Other	AWP	ASP	Acq	Cost	Client	Cat	Flag	QAP	Ex	Hold	Dev	SC	Nts	
Reimbursement	APC Status	Ovr	Rd \$	Eff	Dt	CCM	OE \$	Midpnt	Workload	OE	Mnemonic-Active	Charge	Editable												
1	4011 - 40110106	294	63.00	487	138	243	365	99281						0450											
	TRIAGE EXAM ONLY																								
	59.01 (APC)																								
	V - Paid Under OPPS; Separate APC.		.1547																						
	106 - Y -		63.00																						
2	4011 - 40111111	326	63.00	487	138	243	365	99281						0450											
	ROUTINE WOUND CHECK/REMOVAL																								
	59.01 (APC)																								
	V - Paid Under OPPS; Separate APC.		.2930																						
	1111 - Y -		63.00																						
3	4011 - 40112843	2,303	267.00	487	138	243	365	9928125						0450											
	EMERGENCY DEPT LEVEL 1																								
	59.01 (APC)																								
	V - Paid Under OPPS; Separate APC.		.1964																						
	2843 - Y -		267.00																						

PARA Revenue Integrity Program

Charge Master – code review and maintenance (continued)

One of the main goals of the **PRIP** is to empower and unleash the entrepreneurial forces contained within each Department Manager. Managers are encouraged to update codes, prices and add services throughout the month, Managers are often frustrated by the slow pace of the current charge maintenance process.

The process within the **PDE** for initiating, approving and implementing changes to the charge master is the **Charge Maintenance tab**.

The charge maintenance process provides a secure email centric creation, approval and implementation process for which the Managers can monitor the progress 24/7, if a charge maintenance item is “lingering” on a desk for approval, the Manager will know the point of delay and be able to take action.

The **PARA HIM Staff** will review and implement all changes within 48 hours of receipt, with email confirmation back to the originating Manager; all charge maintenance is accessible to the Manager impacted by the charge items 24/7.

The screenshot displays the PARA Charge Maintenance interface. At the top, there is a navigation bar with tabs: Select, Quote A Price, Charge Maintenance (highlighted), Contracts, Pricing Data, Pricing, Rx / Supplies, Filters, CDM, Calculator, Advisor, Administration, and PARA. Below this, there are sub-tabs: Detail, Quick Add, Charge Forms, and Claim Evaluator. The main form area includes:

- Pending Charges:** 328 - 163600001 - DERMAGRAFT 2X3 #11045 5CMX7.5CM
- Creator:** Debra Garcia
- Approve Only:** **Approve** **Deny** **Delete**
- Action:** Add **Eff. Date:** 01/01/10
- Search AddB:** **Go** **Charges:**
- Department:** 4878 - Total Items: 00026
- Procedures that already contain this charge:** **Weighted Average Price:**
- Voucher:** 328 **Proc Code:** 163600001 **Bill Desc:** DERMAGRAFT 2X3 #11045 5CMX7.5CM **Tech Desc:** Metabolically active tissue
- CPT® / HCPCS Segment** **Indicator** **Code** **Revenue Segment** **Indicator** **Code** **Notes**
- | | | | | | | |
|---------------------|---------|-------|------------|------|------|---------------------------------|
| CPT® | CPT | J7342 | Default | UB92 | 0636 | Click here to add notes. |
| Medicare Outpatient | MCCPT | | Outpatient | | | |
| Medicaid | MCALCPT | Z7610 | Part B | | | |
| Other | | | Other | | | |
- Code Description(s)**
- 0636 - Pharmacy - Extension of 025X - Drugs Requiring Detailed Coding
- J7342 - DERMAL (SUBSTITUTE) TISSUE OF HUMAN ORIGIN, WITH OR WITHOUT OTHER BIOENGINEERED OR PROCESSED ELEMENTS, WITH METABOLICALLY ACTIVE ELEMENTS, PER SQUARE CENTIMETER (Z - HCPCS Code not in the Add B.)
- Hospital Price** **Hi:** **Lo:** **Avg:** **Mid:** **Market - Unpackaged straight market data calculation. To see expanded prices, please visit the Pricing Data tab in the PDE.**
- Reimb.:** **APC Weight:** **National Rate:**
- Status:**
- Fixed Cost:** **Variable Cost:** **Allocated Cost:** **Total Cost:** **Workload:** **UPN:**
- Unit Multiplier:** **Avg Wholesale Price:** **Acquisition Cost:** **Avg Sales Price:** **NDC:** **Search**
- Department G/L:** **Relative Value:**

PARA Revenue Integrity Program

Charge Master – code review and maintenance (continued)

One of the many resources **PARA** brings to a hospital to support the revenue department Managers, Business Office and HIM staff is the **PDE Calculator**.

The **Calculator** provides 20 different resources accessible 24/7, with up to 3 years of history for CPT / HCPCS codes and 20 years of CPT Assistant.

- | | |
|---|---|
| 1 2011 CPT Codes | 11 Modifiers and Revenue codes |
| 2 HCPCS / CPT Codes 2010, 2009, 2008 | 12 CCI OPPS Edits - 2 periods |
| 3 Professional Fees 2010, 2009, 2008 | 13 CCI Physician Edits - 2 periods |
| 4 Medicaid / Workers Comp Fee Schedule | 14 National Coverage Determination |
| 5 ASC Reimbursement 2010, 2009, 2008 | 15 Local Coverage Determination |
| 6 DME Reimbursement 2010, 2009 | 16 Medicare Part B ASP Drug Payments |
| 7 ICD9 Codes Diagnosis and Procedural | 17 NDC to J Code Crosswalk |
| 8 ICD10 Codes | 18 Interventional Radiology Mapping |
| 9 DRG's 2010, 2009, 2008 | 19 CPT Assistant - 20 years of history |
| 10 Device Dependent Codes | 20 HCPCS/CPT to ICD9 Crosswalk |

The screenshot displays the PARA PDE Calculator interface. At the top, a navigation bar includes tabs for Select, Quote A Price, Charge Maintenance, Contracts, Pricing Data, Pricing, Rx / Supplies, Filters, CDM, Calculator (highlighted), Advisor, Administration, and PARA. Below the navigation bar, the interface is divided into two main sections: '1 Configure your report options:' and '2 Make your report selection(s):'. Section 1 includes 'HCPCS / CPT® Codes Report Options' with fields for State (NORTH CAROLINA), Zip Code (28540), City (JACKSONVILLE), Hospital (ONSLow MEMORIAL HOSPITAL), Medicaid information, Physicians Fee Schedule, and Clinical Lab Fee Schedule. It also includes 'Local Coverage Determination Report Options' with fields for State or Region (NORTH CAROLINA) and Contractor (Carrier - CIGNA Government Services). Section 2 is a list of report selection options with radio buttons and checkboxes, including '2011 CPT® Codes', 'HCPCS / CPT® Codes Only', 'Professional Fees', 'Medicaid or Workers Compensation Reimbursement', 'ASC Reimbursement', 'DME Reimbursement', 'Clinical Lab Reimbursement', 'ICD9 Codes', 'ICD10 Codes', 'DRG Codes', 'Device Codes', 'Modifier Lookup or Revenue Codes', 'CCI Edits OPPS', 'CCI Edits Physician', 'National Coverage Determination - LAB', 'Local Coverage Determination', 'Medicare Part B (ASP) Drug Payment Allowance Limits', 'NDC to J Code Crosswalk', 'Interventional Radiology', 'CPT® Assistant', and 'HCPCS/CPT® to ICD9 Lookup'. A 'Submit' button is located at the bottom of section 1. A '3' is visible at the bottom left of the interface.

PARA Revenue Integrity Program

Compliance – HIM / Business office assigned codes and modifiers

With the growth of RAC type audits, the quality and accuracy of claims is a financial requisite, the time, effort and penalties associated with a claim error are onerous.

The **PRIP** will assist and advise the HIM and Business Office in the correct application and use of codes and modifiers, the coding will be furthered reviewed on an ongoing basis with the claim audits.

The **PDE Advisory Tab** will also provide the Departments Managers a resource to access in regards to regulations and updates.

The most important part of the compliance process is the questioning of modifiers assigned without HIM review, or automatically by the charge master, again the claim review will bring these issues to the forefront.

On an annual basis **PARA** will audit the pharmacy NDC codes, J codes assignment and unit of service multiplier, which again have been a focus of audits.

Select Quote A Price Charge Maintenance Contracts Pricing Data Pricing Rx / Supplies Filters CDM Calculator Advisor Administration PARA							
Advisories							
Type	Summary	CR #	Supporting Docs	Filter Link	Audit Link	Issue Date	
Filter By Type	Enter Summary Search Criteria Here						
Transmittals	2010 Deleted Codes	N/A	1 Doc	CDM	PDF	12/01/09	
Med Learn	MM6857 - April 2010 Update of the Hospital Outpatient Prospective Payment System (OPPS)	6857	1 Doc	CDM	PDF	03/10/10	
PARA Data Editor	Filter tab now supports AND conditions forcing procedures displayed on CDM tab to satisfy all filter criteria	N/A	1 Doc			10/12/10	
Coverage	R127NCD - Allogeneic Hematopoietic Stem Cell Transplantation (HSCT) for Myelodysplastic Syndrome (MDS)	7137	1 Doc			10/08/10	
Transmittals	R2064CP - Medicare Remit Easy Print (MREP) Enhancement	7178	1 Doc			10/08/10	
Transmittals	R2062CP - Allogeneic Hematopoietic Stem Cell Transplantation (HSCT) for Myelodysplastic Syndrome (MDS)	7137	1 Doc			10/08/10	
Transmittals	R64SOMA - Revision of Various Exhibits and the Table of Contents	N/A	1 Doc			10/08/10	
Transmittals	R781OTN - Expansion of the Current Scope of Editing for Attending Physician Providers for Free-Standing and Provider-Based Home Health Agency (HHA) Claims Processed by Medicare Regional Home Health Intermediaries (RHHIs)	6856	1 Doc			10/08/10	
Transmittals	R782OTN - The Transition of a Segment of the Wisconsin Physicians Service (WPS) Legacy Workload (Formerly Processed by Mutual of Omaha) for the States of Delaware, Maryland, New Jersey, Pennsylvania and the District of Columbia to the J12 A/B Medicare Administrative Contractor (MAC)	7135	1 Doc			10/08/10	
Med Learn	MM7134 - Fiscal Year (FY) 2011 Inpatient Prospective Payment System (IPPS), Long Term Care Hospital (LTCH) PPS, and Inpatient Psychiatric Facility (IPF) PPS Changes	7134	1 Doc			10/01/10	
Transmittals	R2060CP - Fiscal Year (FY) 2011 Inpatient Prospective Payment System (IPPS), Long Term Care Hospital (LTCH) PPS, and Inpatient Psychiatric Facility (IPF) PPS Changes	7134	1 Doc			10/01/10	
CMS Quarterly Update	R2061CP - October 2010 Update of the Hospital Outpatient Prospective Payment System (OPPS)	7117	1 Doc			10/01/10	
Transmittals	R65SOMA - Revisions to Chapter 2, "The Certification Process," Sections 2080-2089, "Hospices," and Appendix M, "Guidance to Surveyors, Hospices"	N/A	1 Doc			10/01/10	
Transmittals	R779OTN - Allow Zoned Program Integrity Contractors (ZPICs) to Access Medicare Administrative Contractors (MACs) by ZPIC Zone	6550	1 Doc			10/01/10	
Transmittals	R2059CP - Maintenance and Update of the Temporary Hook Created to Hold OPPS Claims that Include Certain Drug HCPCS Codes	7180	1 Doc			10/01/10	

Page 1 of 44 | Displaying Advisories 1 - 30 of 1317

Copyright © 2010 Peter A. Ripper & Associates, Inc. | webmaster@para-hcfs.com | [Privacy Policy](#)

PARA Revenue Integrity Program

Revenue Management Committee – oversight, governance and guidance

The key component to the **PRIP** is the Revenue Management Committee (**RMC**). The **RMC** is composed of the following:

1. Finance Administration
2. Business Office
3. Health Information Management
4. PARA Staff
5. Nursing Services
6. Surgical Services
7. Laboratory
8. Radiology
9. Pharmacy
10. Materials
11. Rehab Medicine
12. Cardio Pulmonary

The goal of the **RMC** is to bring together the key “players” in the revenue cycle to resolve problems and develop processes.

The standing agenda of the **RMC** is as follows:

1. Review and acceptance of previous months minutes
2. Presentation of claim audit findings – insurance and patient requests
3. Claim denial presentation
4. Discussion of coding, billing and pricing issues
5. Current regulatory findings
6. Updates to the PARA Data Editor
7. Projects and focus for the month

The PARA HIM Staff will attend the **RMC** usually by conference call (GoTo Meeting), **PARA** will maintain the minutes of the meeting and coordinate activities.