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| **Hospice of the South Shore**  **Home & Health Resources**  **Visiting Nurses Association** | v1.1 | 55 Fogg Road  South Weymouth  Massachusetts  02190-2455 |
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| **Department** | **Policy Name** | **Policy Number** |
| Revenue Integrity | Charge Description Master Policy and Procedure |  |
| **Responsible Party** | **Creation Date** | **Revision Date** |
|  |  | 9/1/2016 |

**I. PURPOSE:**

The purpose of this policy is to establish guidelines for modifying and maintaining the Charge Description Master (CDM). Adherence to this policy will facilitate administrative simplification, billing accuracy, and revenue capture.

**II. POLICY:**

It is South Shore Health’s policy to produce and maintain a CDM that is accurate and in compliance with all state and federal regulations. The CDM will be maintained at this level through the collaborative efforts of the Revenue Integrity (RI) Department and the Clinical Department managers. Additional support will be provided by Patient Accounting (PA), Health Information Management (HIM), Pharmacy, Finance, and Materials Management as needed. All parties will have access to the resources needed to uphold this policy. (See Resources for CDM Maintenance).

**III. PROCEDURES:**

Review and Approval Process for a Charge Request

1. Revenue Integrity will determine the level of review and approval required before implementation.
2. The requesting department will complete a Charge Request Form (Exhibit A), either on paper or electronically and forward to the RI Department.
3. Most requests will be reviewed and approved by the process disciplines (Revenue Integrity, PA and Finance) through electronic routing within 5-7 business days from the date of receipt by Revenue Integrity.
   1. PA will be responsible for final approval of the National Uniform Billing Code (NUBC).
   2. Revenue Integrity will be responsible for final approval of the Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) code.
   3. Pharmacy will be responsible for final approval of the Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) code and NDC for medications.
   4. Finance will be responsible for updating the CDM in the EHR.
4. If a request can’t be resolved and approved through the normal review process the requesting department manager will be notified, informed of the issue, and given an expected time frame for resolution.

Implementation of the Approved Request

1. Revenue Integrity will send notification to Information Systems (IS) of the changes needed in the charge entry or electronic documentation systems or department sub-systems. The standard IS turnaround time will be 5-7 business days after notification from Revenue Integrity.
2. Department managers will work with IS to complete the additional documentation requirements for their system.
3. Department managers must train their staff in the utilization of the new or revised charge codes. NOTE: If paper charge sheets are utilized by the department, the department manager will be responsible for maintaining these documents.

**IV. Confirmation of New Charges**

Documentation of the completed implementation process will be maintained by the Revenue Integrity Department. Once the request has been approved by RI, implementation can begin. The documentation should include:

* Completed or revised charge voucher/encounter form or screen print of the charging system
* Written confirmation that IS has completed set up
* Written confirmation by requesting department showing completion of staff training on the CDM changes
* **NOTE:** Post implementation of new charge procedures will include:
  + Requesting department provides the first 3 patients to the RI department who will ensure proper chart documentation/charge flow/claim form/payment has been confirmed.
  + Additional review as necessary

**V. Exception (Expedited) Requests**

1. Initiating an Exception Request

Exception requests for an expedited charge code should be rare and needs to be initiated by the department’s director. The requests should be sent to the Director of Revenue Integrity via email. The same documentation will be required for an exception request as is required for all other charge code requests.

2. Review and Approval Process for an Exception Request

Exception requests will be reviewed and approved by the process disciplines (RI, PA and HIM) within 3 days of receipt by the Director of Revenue Integrity unless the request needs to be reviewed by an outside consultant or the CDM Review Committee.

3. Implementation of the Approved Exception Request

Every effort will be made to expedite exception requests through the review and approval process. However this process cannot be circumvented. Managers should take this, and the time required to build the code into the charging system, into account when determining the lead time required before a charge code will be available for revenue capture.

**VI. Roles and Responsibilities**

Revenue Integrity Department

1. RI is responsible for the housing of the CDM including the monthly transmission to the software vendor for compliance analysis.
2. RI will oversee and facilitate all CDM charge code requests and serve as the primary reference point for managers at all stages of the process. RI should be contacted to provide support in utilizing all available resources (see Resources for CDM Maintenance).
3. RI will review the pricing recommended by the department manager and make adjustments as needed based on market pricing, internal pricing issues, and other relevant factors.
4. RI will monitor the American Medical Association (AMA) CPT and HCPCS manuals, the Centers for Medicare and Medicaid Services (CMS) publications, and fiscal intermediary notices for federal and local coding updates.
5. RI will assist department managers in determining whether a coding change is required and if so, will provide assistance as needed throughout the process.
6. RI will coordinate the annual review of the CDM to ensure accuracy and regulatory compliance.
7. RI will conduct periodic reviews of the CDM database for budget, billing, and financial reporting systems requirements.
8. RI will review annually all CDM changes/updates with Corporate Compliance as per their review policy.
9. RI will coordinate with Financial Reporting the annual submission of the CDM to any outside reporting agencies.
10. RI will ensure Contracting Department is made aware of development of any new service for future contracting analysis.

Department Managers

Department managers are expected to facilitate accurate charging based on their knowledge of clinical operations and their ability to evaluate the effect of clinical advances, new procedures, and technology on their areas of responsibility. In order to align knowledge with accountability, department managers will have primary responsibility for their CDM. Additional resources have been provided to assist with this task (see Resources for CDM Maintenance).

Department managers should:

1. Assign CPT and HCPCS codes based only on the service or procedure provided and not on the reimbursement.
2. Understand the AMA definitions of each CPT code and reflect them as closely as possible in the charge code descriptions.
3. Familiarize themselves with the quarterly updates of outpatient regulations that may require a CDM modification.
4. Recommend a price for a service or procedure after evaluating the full cost to the department.
5. Never offer, discuss, inquire, or collaborate with other providers on prices, including but not limited to supplies, services, and procedures.
6. Monitor daily charge entry and reconciliation of all services, scheduled and unplanned. See Exhibit B.
7. Monitor and review their department charges against their monthly revenue report to ensure revenue capture
8. Monitor and review billing edits such as the Charge Edit Error report to identify issues that may require CDM revisions.
9. Educate staff on the charge generating process to ensure accurate billing and revenue capture. The staff should understand the appropriate use of each charge code and any variation in clinical circumstances that may alter the usual and customary charge code configuration.
10. Verify and sign off each year that their charge description master(s) has/have been reviewed and is/are current.

Resources for CDM Maintenance

The following resources will be utilized by RI and Department Managers while updating the CDM.

* AMA CPT and HCPCS manuals
* NUBC Manual
* CMS Website - IOM, Transmittals, MedLearn Matters
* CDM Maintenance Tools
* Outside consulting agency as defined by RI when necessary

NOTE: Vendor supplied reimbursement information on HCPCS/CPT may be obtained for informational purposes, however HIM coding and RI will be responsible for confirmation of information provided.

**Exhibit A**

**Charge Code Request Form**

|  |  |  |  |  |
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|  | **Charge Code Request Form** | | |  |
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|  |  |  |  |  |
|  |  |  |  |  |
|  | **Your Name** |  |  |  |
|  | **Your Phone** |  |  |  |
|  | **Your Department** |  |  |  |
|  | **Billing Business Unit** |  |  |  |
|  |  |  |  |  |
|  | **Charge Code ID (10 Char)** |  |  |  |
|  |  |  |  |  |
|  | **Unit of Measure  (if other than EA - Each)** | (optional) |  |  |
|  | **Description (30 Char)** |  |  |  |
|  | **Long Description (254 Char)** | (optional) |  |  |
|  | **List Price/Cost** |  |  |  |
|  | **Cost Center** |  |  |  |
|  | **Discounts, if any** |  |  |  |
|  |  |  |  |  |
|  | **Reason for Request:** |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  | **CPT/HCPCS Code** |  |  |  |
|  | **Multiplier** | (optional) |  |  |
|  | **Price** |  |  |  |
|  | **Resource(s) used** |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  | **RI Dept. fields:** |  |  |  |
|  |  |  |  |  |
|  | Completed On Date: |  |  |  |
|  | Completed By: |  |  |  |
|  | Comments: |  |  |  |
|  |  |  |  |  |

**Exhibit C**

**Charge Reconciliation Process**

Each department is responsible for reconciling charge entry on a daily basis. Charge reconciliation includes the following:

* Confirming all patients who received services were charged
* Confirming all charges applied are documented as performed within the patient’s chart/EHR
* Confirming all charges match the services that were ordered.
* Confirming submodule charges, if applicable, are correctly received in the billing/accounts receivable system.
* Confirming scheduled no-show patients have been accurately reflected as no-show patients within the EHR.
* Responding to inquiries from billing/patient accounts/H.I.M. in a timely manner to resolve discrepancies.
* Assigning daily reconciliation of charges to appropriate staff and providing back up to staff for PTO/LOA situations so charge entry and reconciliation is not delayed. All charges should be reconciled within 48 hours of services being rendered.

Resources for charge reconciliation

* Scheduled list of patients
* Add on list of patients
* Scanned orders
* Billing List (module based)
* B/AR Charge Batch Detail (B/AR report)
* Rejection List Batch (B/AR report)

*Source*: South Shore Health System, South Weymouth, Mass. Used with permission.