

# Billing 101: How a Clinic Visit Becomes a Bill

**HCPF** has engaged **Haugen Consulting Group** to share the basics of billing with the Steering Committee

**Haugen Consulting Group** is a prominent Colorado-based healthcare consulting firm specializing in a wide range of services related to healthcare auditing, consulting, and education. With a strong focus on assisting healthcare organizations, Haugen provides expert guidance and solutions to enhance operational efficiency and ensure compliance with healthcare regulations.



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# Objectives

- ✓ Provide overview of outpatient billing process
- ✓ Define key terms related to outpatient billing
- ✓ Review how a clinic visit becomes a bill
- ✓ Utilize patient journey to explain key elements



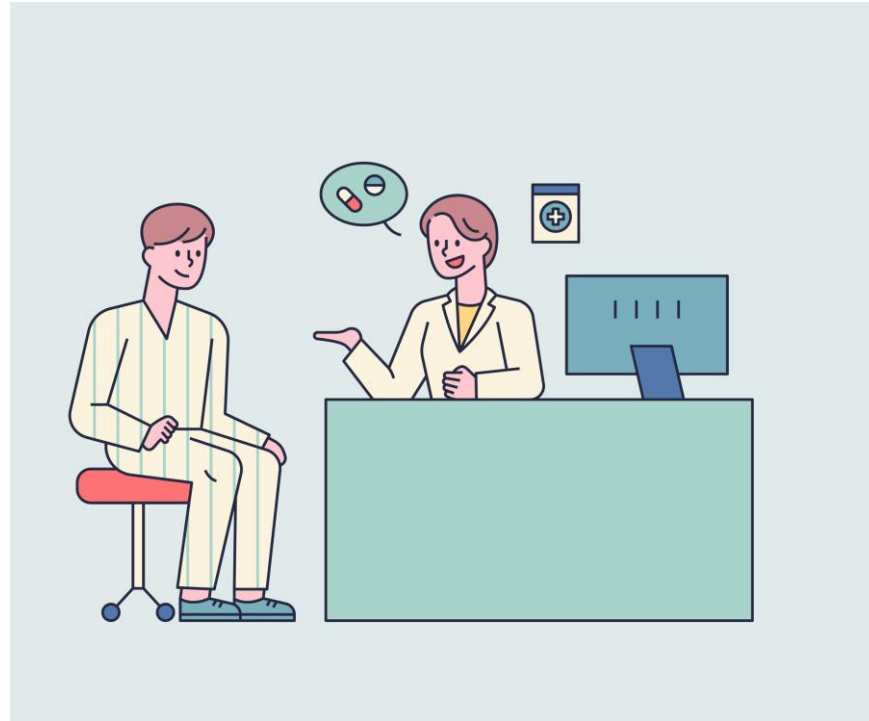
# Patient Presents for Care

- ✓ Patient presents to Orthopedic Clinic front desk for left wrist pain
- ✓ Completes paperwork
- ✓ Gives ID and insurance card
- ✓ Pays **copay**
- ✓ Registration staff enters all information into electronic health record (EHR)

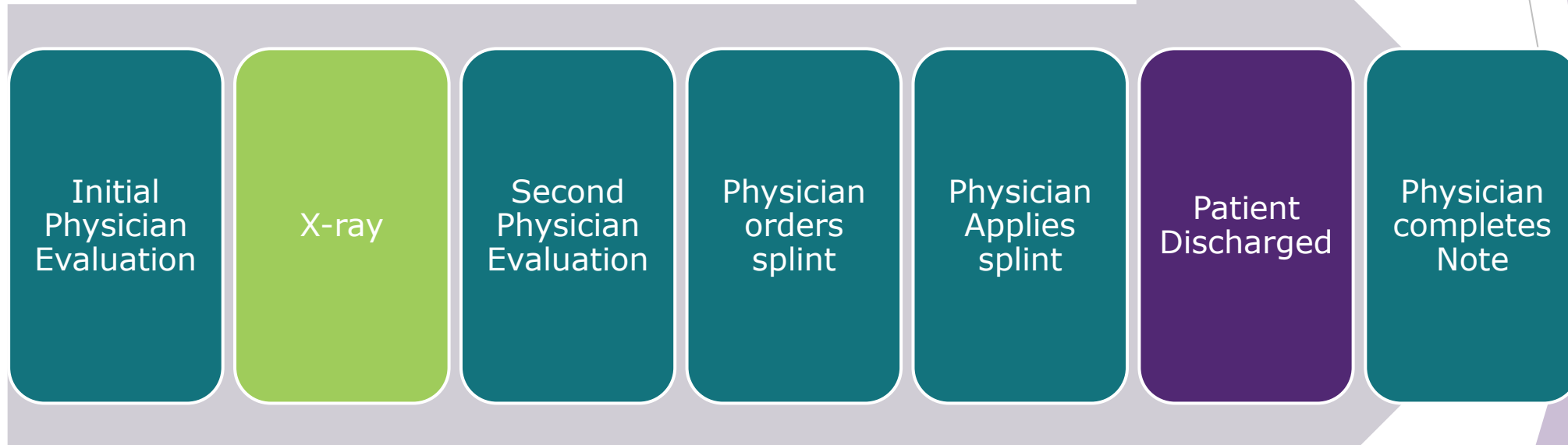


# Patient checked in by Medical Assistant (MA)

- ✓ MA charts the following patient information in EHR
  - Patient vitals
  - Medication reconciliation
- ✓ This data is then available
  - To the physician
  - For historical trending
  - For data collection



# Patient is seen by Physician



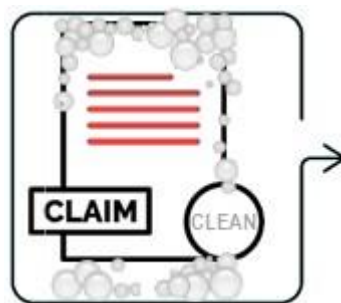
# Documentation Becomes Coded Data

- ✓ **Coder** reviews documentation and assigns codes
  - ❑ **Evaluation and Management (E/M)** Level for Physician services (99203)
  - ❑ **ICD-10-CM Diagnosis** code for left wrist sprain (S63.502)
  - ❑ **CPT code** for wrist splint application by Physician (29125)
- ✓ **Coder** reviews codes/charges assigned by EHR
  - ❑ Triggered by Physician Orders
    - ❑ **CPT code** for x-ray (73100)
    - ❑ **HCPCS code** for splint (Q4022)



# Billing Prepares the Claim

- ✓ Billing system prepares claim and splits charges when applicable
- ✓ Biller sends claim(s) through the internal **claim scrubber**
- ✓ Biller reviews and resolves any **claim edits**
- ✓ Transmits the **clean claim(s)** to the patient's insurance company via **Clearinghouse**



# Types of Claim Forms

## UB-04

- ✓ Uniform Medical Billing Form (UB)
- ✓ Standard claim form used by **institutional** facilities
  - ❑ Hospitals
  - ❑ Skilled Nursing Facilities (SNF)
  - ❑ Hospices
  - ❑ Hospital-Based Outpatient Clinics (onsite or offsite)

## 1500

- ✓ Standard claim form used by **individual** healthcare providers
  - ❑ Physicians
  - ❑ Mid-level providers\*
  - ❑ Durable Medical Equipment (DME) companies

\*State and payer specific guidelines apply





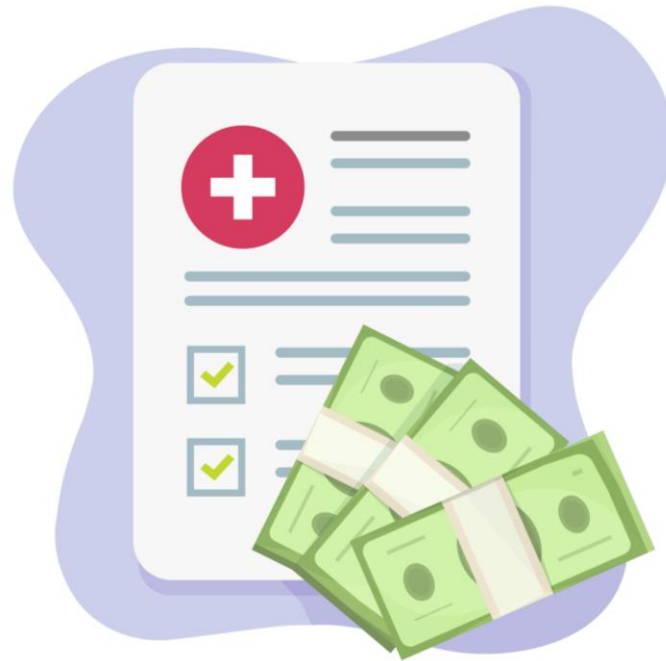
# Insurance Company Receives Claim(s)

- ✓ Initial claims review
  - Accuracy of information
- ✓ **Claims adjudication** process
- ✓ Payment or Denial based on several factors
  - Pre-authorization
  - Medical necessity
  - Coding validation
- ✓ Manual Review
  - Request supporting documentation

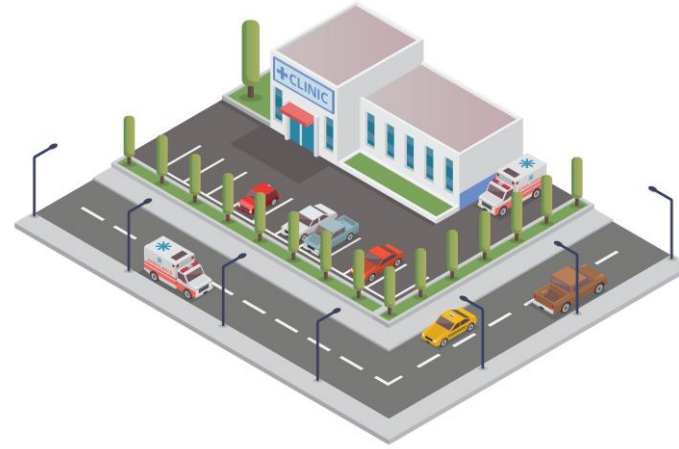
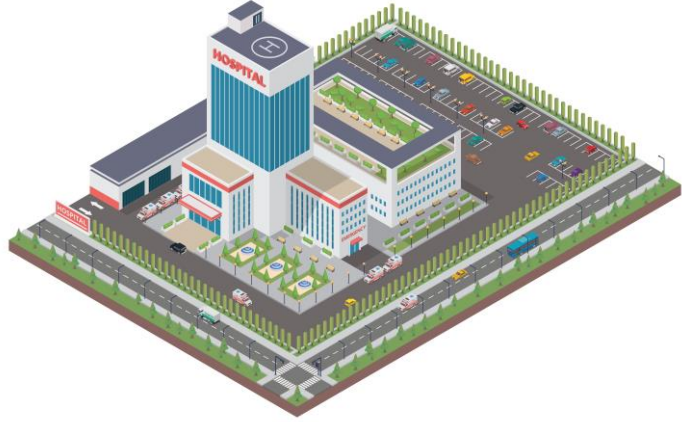


# Insurance Company Pays Claim

- ✓ Insurance pays the claim
- ✓ Payment is posted to patient's account
- ✓ Adjustments/write-offs
- ✓ Patient is billed



# Patient Receives Bill



## Hospital-Based Clinic



**UB-04**

**1500**

## Independent Physician Office



**1500**





# THANK YOU!

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