



Santa Clara County Medical Association/408-998-8850 www.sccma.org

Best Practices: Building a Defensible Fee Schedule

A very important key to practice viability is developing a defensible fee schedule. The fee schedule is the single most important financial tool within a medical practice. Most practices develop their fee schedules with very little, if any, understanding of the methodologies for doing so. Building a defensible fee schedule is not easy, but the physician who takes the time will greatly benefit from doing so. CMA's toolkit entitled "*Best Practices*" will help physicians understand what makes a sound fee schedule and walks them through the task of creating their own. The toolkit is 140 pages to help physicians improve the efficiency, and in turn, the quality, of their practices. In addition to learning how to build a defensible fee schedule, the toolkit will also teach you:

- What every physician needs to know about running a practice;
- How to find and keep qualified staff;
- Why your receptionist can make or break your business;
- How to make sense of your revenue stream;
- When it makes sense to cancel a payor contract;
- And much more.

The "*Best Practices*" toolkit, available free to all physician, is organized into nine chapters that can be read sequentially or on an as needed basis. Download the toolkit at <http://www.cmanet.org/bestpractices>.

Region D RAC has released CMS Approved Audit Targets

HealthDataInsights, Inc. (HDI), the Recovery Audit Contractor (RAC) assigned to California, has posted seven audit targets approved by CMS (Center for Medicare and Medicaid Services) on their website. The seven targets are:

- Newborn Pediatric CPT Codes Billed for Patients Exceeding Age Limit;
- Once in a Lifetime;
- Excessive Units-Untimed Codes;
- Excessive Units-Blood Transfusions;
- Excessive Units-Bronchoscopy;
- Excessive Units-IV Hydration
- Neulasta

To view these targets and descriptions go to:

<https://racinfo.healthdatainsights.com/Public/NewIssues.aspx>.

To learn more about the RAC go to:

<https://racinfo.healthdatainsights.com/Public/RegionD.aspx>.

Now that HDI has publicly posted the CMS-approved targets, they can begin performing audits or requesting records anytime.

For questions and reimbursement issues, contact Sandie @ 408/998-8850 ext. 3007 or email sandie@sccma.org.

Good to Know:

Coding for suture removal - there is no CPT code.

Suture removal is considered part of the global surgical package and therefore cannot be billed separately by the surgeon. When the surgeon transfers care of the patient to the attending physician or other physician/non-practitioner, suture removal is part of post-op care. No separate charge is made.

When the surgeon has **not** transferred care of the patient to the patient's attending physician/non-physician practitioner, the suture removal can be included in an evaluation and management service. If this is the only service provided to the patient, then procedure code 99211 can be used; this is the minimal level office visit procedure code. If the patient receives other E/M services at the same time, the suture removal would be included in the evaluation and management service.