

A Process to Recover Additional Revenue for Home Care Plan Oversight



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Mercy Physician Community PHO

- Primary care office
- One doctor for family practice

Mercy Physician Community PHO saw an opportunity to recover more revenue for patients' home care by performing a more thorough review of the treatments and chart notes and physician orders and charging against additional codes.



The Project Team

- Billing manager
- One practice transformation advisor (QIC – Facilitator)



The Problem

- The billing clerk had been submitting claims for managing home-care visits for five years, but was only submitting the initial and recertification codes for each patient and was not including the care plan oversight code.
- After a visit by one of the home-care nurses, it was determined that additional codes could be billed against if the clerk sorted out what type of support was being offered by the physician.
- Our tasks:
 - Determine how much the administrative work would cost.
 - Determine how much additional revenue could be generated.
 - Create a process to make billing easier and less time-consuming.



Project Goals

- Better understand the requirements for submitting against the codes for care plan oversight.
- Bill against those codes when appropriate.
- Capture \$98 per patient that was being left behind by not billing for the additional services—work toward capturing this revenue for 100% of patients who were eligible.



Root Cause Analysis

There were two root causes:

- a) A lack of understanding of the different codes allowed for home care plan oversight.
- b) A lack of time during the day to allow the billing clerk to investigate this new billing practice – the new process would involve sorting through the files to properly find and account for the additional eligible tasks.



Addressing Root Causes

- **Root cause (a):** The billing clerk learned about the additional codes and eligible physician activities from the home healthcare nurse.
- **Root cause (b):**
 - Learn that the revenue opportunity is \$98 per patient, create a process to photocopy documentation when it comes in, and perform the billing at the end of each month.
 - We created a simple worksheet to capture the data and assess whether or not eligibility for the \$98 fee was met.
 - The billing clerk reviewed six months' of home care billing data to recover additional revenue for the practice.



Return on Investment

Costs

- One-time consultant's fees: 2 ½ hours = \$375
- Billing clerk's time: 10 hours of additional work to process 122 home care reports @ \$25/hour = \$250
- Total cost to process six months worth of data = \$625

New Revenue

- 14 of the 122 reports (six months) were ineligible for the additional \$96.58 fee: 108 eligible x \$96.58 = \$10,430
- **On an annual basis, expected new revenues total 20,860, with an associated ongoing cost of \$500 per year**



Return on Investment

Net Return On Investment:

- Each report takes about five minutes to process when done in a batch at the end of the month.
Cost = \$2 each.
- Each eligible report earns \$96.58, for a net of \$94.58 each.
- An estimated 216 reports per year earns \$20,860.



Monitoring and Evaluating Over Time

- The practice transformation advisor has been following up each month.
- After the first time using the worksheet, changes were made to make it even more effective and easy to use.
- By making this new process part of the month-end billing process, the billing clerk has integrated the additional work into her routine.
- If or when work gets behind, it is still cost effective to outsource a portion of the work for a half day.



New Worksheet Created

JANUARY												
Patient's Name and Diagnosis	Range of Treatment Dates	Certification: Home Health Plan of Care (G0180) - \$48.65	Care Plan Oversight - Home Health Patient (G0181) - \$96.58					Team Conferences	Discussions w/ Pharmacists			
			NOTE: Time spent must equal at least 30 minutes per patient per month in order for reimbursement									
			Activities to Coord. Services	Documentation	Medical Decision Making	Review: Charts Plans, Labs etc						
Patient Name One	Feb 1 - Feb 28	1	10			5			G0180	\$48.65		
DX-486			5			5			G0179	Billing Eligi		
Pneumonia			10			5			G0181	\$96.58		
						5						
Patient Name Two	March 22 - April 22	1	10		5	5	10		G0180	\$48.65		
DX-486					5		5		G0179	Billing Eligi		
Pneumonia									G0181	\$96.58		
Patient Name Three	April 15- April 30	1	5		5	5			G0180	\$48.65		
DX-486			10						G0179	Billing Eligi		
Pneumonia									G0181	Billing Ineli		



For More Information

- Learn more about Mercy Physician Community PHO: www.opns.org/?id=10&sid=1.
- More case study presentations are available from the ASQ Healthcare Division: www.asq.org/health/quality-information/library.
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