

An Event to Remember: Part 3*(from page 4)***◆ Dup/Duplicate (Print File)**

Print files that you attempt to drop are checked against previously dropped files for duplication. If Xpeditor and its background programs recognize a duplicate file, the new print file will not be dropped, as the claims contained have already been loaded.

◆ QAServ

The root, or base, folder location for all Xpeditor files and folders. For Xpeditor Online clients, this is hosted on our servers along with the rest of their Xpeditor database. Xpeditor Enterprise clients maintain this folder on their Director PC. It is important that access to this folder is secured as inadvertent changes to its contents will adversely affect Xpeditor.

◆ Communicator

Another background program of Xpeditor. Its job is to send and receive your files to the Quadax servers. This does not include print files, but release claims that are uploading to

our servers and receiving the Response, Remittance, and Update files to your Xpeditor.

◆ Citrix

Xpeditor Online clients connect from their workstations to our servers through Citrix. Technically speaking, Citrix is the company that developed the software (Client Presentation Server) allowing this connection. Xpeditor Enterprise clients will not use a Citrix connection to communicate with Xpeditor or Quadax servers.

◆ Remit/REMIT.ZIP

The file compiled by Quadax that contains the remittance data. Each payer will be listed separately, allowing Quadax staff to confirm the payer's remittance information.

◆ Quick/Provider Setup

Our interface to the computer mainframe that does further processing of the claims before being transmitted to the payers. A major function of Quick is the entry of Provider and NPI numbers to our database. Without these numbers in the database, your claims will not be released. ◇



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OIG Declines to Promulgate Excessive Charge Final Rule*By Catherine Sicker, Corporate Compliance Officer*

On June 18, 2007, the Office of Inspector General (OIG) withdrew its 2003 proposed rule which endeavored to define what comprised “excessive charges” to Medicare and Medicaid. The OIG wanted to use the proposal to add weight to the “discriminatory” billing prohibition of the Social Security Act (SSA) that allows them to exclude providers from the Medicare and Medicaid programs for overcharging these programs. Numerous times in the past, the OIG has attempted to sharply define the terms “substantially in excess,” “usual charges,” and “good cause” that are in the SSA.

The Proposed Rule:

- ◆ Defined “substantially in excess” as any charge that was more than 120 percent of the usual charge.
- ◆ “Usual charges” would have been based on either a provider’s average charge or a median charge and would have included amounts billed to cash-paying patients and patients covered by indemnity insurers with which the provider had no contractual relationship.
- ◆ These “usual charges” would also have included any fee-for-service rates that a provider agreed to accept from any payer, including discounted rates negotiated with managed care plans.

*(Continued on page 5)***Xpeditor Reporting: Back to Basics***By Len Stusek, General Manager, EDI Services*

There are an awful lot of tools and information sources available to you from within Xpeditor, the Web portal, CANS messages and the Help Desk. Sometimes new features rule the day and we forget the basics, things that have always worked and provided functional information regarding claims and productivity in Xpeditor. Perhaps by relating to you my favorite reports, I can uncover some of your previous favorites and help you get back to the basics.

My short list of favorite reports from Xpeditor includes:

Daily Activity Report

Provides you a look at what has been loaded into Xpeditor (from print-image file or 837) on a daily basis, what has been

pulled from History (perhaps payer rejections), and what has been transmitted to Quadax.

Reviewing this report can alert you if there are no claims loaded into Xpeditor. It can let you know if there was a communication issue resulting in claims not leaving Xpeditor, as well. Use of the report may provide a head start in identifying production issues resulting in faster resolution.

Additionally, if the trend is that you regularly have more claims coming into Xpeditor then going out, you have productivity and A/R matters to address.

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Did You Know?...

By Tony Petras, Vice President, EDI Services

Batch Rejects

Medicare provides electronic reports entitled the “Batch Control Listing” (also known as the BCL) and the “Reject Report.” Within these reports, intermediaries will sometimes include “batch level rejects,” which regrettably, have been coined “batch rejects” in Quadax vernacular. This poor choice of words was realized while visiting a client recently, who interpreted this information as though all of their Medicare claims were rejected.

Rest assured, this is not an all-or-nothing situation; rather, it is typically a small number of claims within a days’ batch that fail the payer’s validation rules, usually in regard to the physician’s association to the group.

Recently, in conjunction with the use of the National Provider Identifier (NPI) and a corresponding taxonomy code, an increase in the frequency of batch level rejections was experienced as Medicare, and the provider community, worked through the registration snafus.

The ability to identify and then report these rejections to the affected client is complex, because the payer is reporting that the provider is not on record as being associated with the group; therefore, provider information is not returned. This then requires a manual interrogation of the original file, a comparison to the report, so that the tracking thread can be created and the claim regenerated within Xpeditor.

The backlog has since been addressed, and normal daily auditing of these files has resumed. Old habits die hard, but we are now more sensitive to the choice of words used to identify these situations, and future occurrences will be reported as “batch level rejects” in an effort to separate them from the more devastating “batch reject.”

Scraping Nuances/Effort

The creation of payer-rejected claims (those that make it through Xpeditor’s edits, only to be rejected by the payer - usually for eligibility-related matters) has been a well-accept-

ed component of our service. As our client base grows, so too do the expectations of the process. At best, the scraping of details from the inconsistent variety of reports returned is an inexact science. We have written a Policy Paper on the topic, which our account representatives can provide on request.

An on-going review of these report files does, on occasion, identify changes that need to be accommodated so that informational messages are not re-posted as rejected claims.

We will continue to rely on our customers, as well, to point out

when the process breaks down, which is more frequent than any of us prefers! Format changes, NPI, and payer mergers have been the most recent variables affecting the accuracy and completeness of the process. Until or unless HIPAA concludes on a standard response file, the creation of payer rejected claims will require diligence and team-

work to maintain this vital feature.

Remit Posting Files

Clients who have engaged Quadax to create “proprietary” posting files from a payer’s 835 are finding that the increased volume of changes is impacting the effectiveness of the process. For instance, payers now include a PLB segment in the 835 to report provider level adjustments, which are not specific to a particular claim or service. Additionally, multiple adjustments per provider number can be placed in one of these segments.

Since this is a relatively new phenomenon, a vendor’s dated “proprietary” specifications may not include a mechanism to report these amounts, which could be positive and/or negative.

Attempts to accommodate our clients through the creation of formulas or calculations have produced a mixed bag of results and can create a snowball effect on remittance-related events for a particular customer.

If at all possible, we encourage all of our clients to post directly from the 835, since this “standard” will eventually apply across-the-board to all payers. Many of our clients are finding that their vendors are much more responsive to 835

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Xpeditor Reporting: Back to Basics

(from page 1)

Batch Summary Report

Explains exactly how well your batch of claims loaded into Xpeditor. The report identifies by payer the percentage of clean claims that load directly to an R: Release to Quadax status, while errored claims will end up in a W: Client Workflow status. If a client is under “100 percent review,” clean claims go to a W: Ready to Release status, thus requiring intervention prior to them being uploaded to Quadax.

If your percentage of clean claims is over 60 percent and you are changing a status to R: Release claims to Quadax by either a global or a page-at-a-time, it is time to rethink why you are utilizing 100 percent review and change to automating this process. Your Quadax Account Representative will be happy to work with you.

Batch Processor Error by Error Analysis

Takes the previous report and breaks it down identifying your top errors. This is very useful in identifying fixes either at the front end (within your main IS system) or within Xpeditor as an XpressBiller correction or custom convert. Using this report, as well as acquiring internal IS assistance and attention from your Quadax Account Representative, may help you in getting 80 percent or better of your claims clean and moved to R: status.

Current Status Summary Report

(Found within the print list option in the Xpeditor Selector) I recommend utilizing this report at a consistent time every week – such as late Friday afternoon. This report provides a snapshot of what is being held in Xpeditor and where it is

being held. You can obtain a good idea if you have gained or lost ground related to the number of claims or total dollars being held in Xpeditor from week-to-week and precisely what workflow (status) is potentially problematic.

Outside of Xpeditor, use of the Transmissions Results Page (TRP) and payer reports on the Web portal can provide valuable information as to what happens in the life cycle of the

claims after it passes through Xpeditor. There is a new link from Tracking to the payer reports on the Web portal. If you haven’t subscribed to these reports in the past, contact your Quadax Regional Account Manager and ask for a trial and evaluate how these tools may assist you in identifying rejections and speed up resubmissions.

One additional valued tool, though technically not a report, is the monitoring of payer rejects in Xpeditor and ability to work these rejects. Claims that

are in a W: payer rejected claim status have been transmitted to the payer and created into a report (997, 277 or proprietary format). This report then identifies rejections “scraped” by Quadax, resulting in a copy of the original claim being sent back to the active Selector for review and remedy. Some rejections originate from interpreting the 835 and identifying rejections from this source, as well.

By getting back to the basics and utilizing these “favorites,” valuable information and insight may be uncovered that assist in maximizing the use of Xpeditor and aid in improving your revenue cycle. ♦



CMS Announces Proposals

CY 2008 Physician Fee Schedule and Part B Changes

By Catherine Sicker, Corporate Compliance Officer

On July 12, 2007, CMS proposed a rule addressing certain provisions of the Tax Relief and Health Care Act of 2006 and making changes to the Medicare Part B payment policy. The proposed rule discusses:

- ◆ Refinements to resource-based practice expense Relative Value Units (RVUs)
- ◆ Changes to geographic practice cost indices
- ◆ Malpractice RVUs; requests for additions to the list of tele-health services
- ◆ Several coding issues including additional codes from the 5-Year Review
- ◆ Payment for covered outpatient drugs and biologicals
- ◆ The competitive acquisition program
- ◆ Clinical lab fee schedule issues
- ◆ Payment for renal dialysis services
- ◆ Performance standards for independent diagnostic testing facilities
- ◆ Expiration of the Physician Scarcity Area (PSA) bonus payment

◆ Conforming and clarifying changes for comprehensive outpatient rehabilitation facilities

◆ A process for updating the drug compendia

◆ Physician self-referral issues

◆ Beneficiary signature for ambulance transport services

◆ Durable medical equipment update

◆ The chiropractic services demonstration

◆ A Medicare economic index data change

◆ Technical corrections

◆ Issues related to therapy services

◆ Revisions to the ambulance fee schedule

◆ The ambulance inflation factor for CY 2008

◆ The proposal to eliminate the exemption for computer-generated facsimile transmissions from the National Council for Prescription Drug Programs (NCPDP) SCRIPT standard for transmitting prescription and certain prescription-related information for Part D eligible individuals

Visit the website below for more information:

<http://a257.g.akamaitech.net/7/257/2422/01jan20071800/edocket.access.gpo.gov/2007/pdf/07-3274.pdf> ◇

MARK YOUR CALENDAR:

August 31, 2007 - A fifth West Virginia User Group Conference will be held in Wheeling for WV Xpeditor Enterprise clients



EDI Move to Westlake

By Mary Beth Bennett, Marketing Specialist/Newsletter Editor

Quadax continues its success of providing innovative technologies accompanied by superior services in the healthcare industry with the accumulation of more clients and personnel. Just like any expanding company, Quadax recently found itself with limited space due to the rise in staff. We took this as a positive development in our company and an opportunity to expand our office boundaries. As a result, we opened a new facility in Westlake, Ohio for the EDI (Electronic Data Interchange) division.

The hardworking and dedicated individuals that make up the Service, Tech, and Client Support Center (CSC) departments relocated to a convenient new building only minutes away from our corporate headquarters in Fairview Park, Ohio on the West Side of Cleveland.



The new location offers EDI staff improved amenities, including spacious work areas, a large private kitchen, and ample parking. The building even boasts a workout room and outdoor picnic area, equipped with a gas grill, for employees to utilize. The additional space of the Westlake EDI branch provides a comfortable and suitable work environment for our continually expanding staff.

Although our offices and staff have recently become separated, Quadax EDI remains committed to providing excellent service and customer satisfaction for our clients in the healthcare industry. ◇

Future Changes for Admission Source Block on UB-04

By Chuck Parker, EDI Project Leader

For those of you who have finally figured out how to use the Admission Source block (FL 15) on the UB billing form, it is time for a change. Effective **October 1, 2007**, the NUBC (National Uniform Billing Committee) has not only changed the Name/Description for this field, but has dramatically modified the coding structure used. Beginning October 1st, this field will be referred to as, **“The Point of Origin for Admission or Visit.”** The definition will be:

“A code indicating the point of patient origin for this admission or visit.”

The changes in coding structure are as follows:

- ◆ The complete elimination of ‘3’ – HMO Referral as a valid code.
- ◆ A total revamp of the codes used for Nursery. When the Admit Type field is a ‘4’, the Admission Source or Point of Origin field will need to be one of two new codes:
 - ◇ ‘5’ – Born Inside this Hospital
 - ◇ ‘6’ – Born Outside of this Hospital
 - ◇ Codes 1–4 are being discontinued and put back to a ‘Reserved for Assignment’ status
- ◆ The addition of two other codes rounds out the changes:
 - ◇ E – Transfer from Ambulatory Surgery Center
 - ◇ F – Transfer from Hospice and is Under a Hospice Plan of Care or Enrolled in a Hospice Program

For more details regarding this upcoming change, please refer to the NUBC Guide available (for a fee) at www.nubc.org ◇



Visit our website at www.quadax.com

Register for the ASP Portal at www.quadax.com/user/register.asp

An Event to Remember: Part 3

By Ben Frayser, EDI Client Support Center Supervisor

Beginning in Summer 2006, I devised a glossary of terms to assist clients with the occasionally confusing language we use at Quadax and in the healthcare industry. The Three-Part Series of articles resumed in Winter 2007 and concludes in this issue, with additional terms intended to clarify any continuing misunderstandings.

◆ VFTP Folder

Essentially the location where “pending files” are kept, waiting to download to a client. This includes Response files, Remit files, and Updates files.

◆ Response file/RESPONSE.ZIP

File containing the response to the claims submitted, including Quadax accepted and rejected responses, as well as payer rejections and responses, if available from the payer. Sometimes this file will be received multiple times per day.

◆ Wednesday Update/Codetable Update

New edit procedures and software updates compiled and released on prescribed days, usually Tuesdays nights. As a client, it will effectively be Wednesday that you see what changes have been made.

◆ Software Release/New Version

Working in the same manner as the weekly updates, major updates to Xpeditor are created that include new or expanded features. This type of release is done quarterly instead of weekly.

◆ Remit Manage Utility/RMU

Quadax programmers developed a tracking program that will list the remittances received and processed as part of our remittance scraping. In a nut-shell, if Quadax support personnel are able to find your remittance in this tracking program, we have received and initially processed the remittance you are expecting.

◆ 837 Outgoing File

The “outgoing” file of claims that Quadax sends to payers.

◆ Control Number

Quadax assigns a Control Number to the outgoing file as an internal tracking mechanism. While this number is actually given to the payer as part of the outgoing 837, this is only an internal distinction.

◆ Print File/Dropping a Print File

The claims file in which you send claims into Xpeditor. The process of loading this Print File is referred to as “Dropping.” Print Files can be in several different formats, the two most common of which are ANSI and Print Image.

◆ ANSI Print File

A data format in a “universal” and compliant format. Due to the standardized nature of this file, there is no mapping to be done; the data will automatically load into Xpeditor when dropped.

◆ Print-Image File

A print file that “looks” like a claim form; that is, the layout matches the claim form appearance. Getting this claim information into Xpeditor requires mapping the print-image file.

◆ Mapping

In order to get the data of the print file into a claim in Xpeditor, your file is “Mapped.” Only print-image files are mapped; ANSI files are not. It is very important that your print-image file remain consistent because the Map is looking at specific lines and columns of your file to find the data you are expecting to populate the claim. If a change has been made, your claim will likely not load the way you expect and must be re-made.

◆ Filter

One of many programs that run “behind the scenes” of Xpeditor. Its job is to take your print file and break it up into its individual claims. As Filter runs and processes a print file, your claims will begin to load into Xpeditor, but will remain unusable and “locked” until the Batch Process runs.

◆ Batch Process

Once Filter is completed, the Batch Process will take over and conclude the processing of claims in the print file. During the Batch Process, Quadax and Custom Converts will run, followed by any XpressBiller rules or converts. The claims will first be edited for errors during the Batch Process.

◆ Ufile/Holding/Dropoff

Folder locations that print files can or will be passed through as part of the dropping process. If Filter, Batch Process, or mapping functions fail, your print file will usually be found in one of these locations. Which location your file is in gives Quadax representatives an idea of why your print file hasn’t loaded into Xpeditor.

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In Memoriam - Pat Lawler

By Marilyn Vaselaney, Human Resource Manager

We were all saddened by the passing of Pat Lawler, a beloved friend, colleague and former executive of Quadax, Inc. Pat passed away on July 23, 2007, after a long illness.



Pat Lawler, pictured with her devoted husband, John

Pat’s legacy is significant; she was the first employee hired in July 1973 when Quadax was established, and she worked hard to build the data entry business that first gave Quadax its foothold in the healthcare industry. She was a key contributor to the success of the company that we know today. The original keypunch cards and magnetic tapes have become relics in this age of ANSI-standard transactions and Document Imaging OCR, but the data entry business laid an important foundation for the company. As Pat said in an interview at the occasion of her 30th anniversary with Quadax, she was gratified that the solid core of data entry that she managed for so many years enabled other areas of the company to grow and develop.

Pat’s career as a Vice President and Partner continued for over 32 years. She retired from Quadax in late 2005 with plans to travel but instead found herself facing a difficult diagnosis. The strength and courage she displayed throughout her life, but particularly during her last ordeal, serves as an inspiration to all who knew and loved her. She will be missed, but never forgotten.



Did You Know?...

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quirks than to complaints regarding proprietary format shortcomings.

CMS-1500 Provider Addresses

With the advent of NPI, payers are more closely scrutinizing the address of the provider, the result of which has been an increase in the number of file rejects experienced by our Transmissions Auditing Department. New edits have been implemented that require more complete information, such as a full three-line address, to alleviate the impact on our global client base. On the whole, only a small number of our clients are experiencing these new edit messages.

Attending/Operating Physician Errors

On a routine basis, the EDG (Edits and Documentation Group) reviews claims that pass through the Quadax edit engine, but then subsequently reject at the payer. Regularly, we have found that claims without an appropriate Attending and/or Operating physician number or combination name/number are “forced” through the edit, only to be summarily rejected by the payers.

As requirements for NPI become stricter, and contingency plans are eliminated, it is inevitable that Quadax edits will have to become tighter. By reviewing the variety of “batch processor” error reports available within Xpeditor, you can determine if you are experiencing a problem in this area. ◇

OIG Declines to Promulgate Final Rule

(from page 1)

Why the OIG Withdrew the Rule:

- ◆ Lacked sufficient information to impose the 120 percent standard across the board.
- ◆ Could not assure “that a final rule would not have the unintended effect of increasing healthcare costs across the industry.”

The OIG still remains concerned about disparities in the amounts charged to Medicare and Medicaid when compared to private payers and will continue to evaluate billing patterns of individuals and entities on a case by case basis.

<http://a257.g.akamai.net/7/257/2422/01jan20071800/edocket.access.gpo.gov/2007/pdf/E7-11663.pdf> ◇