

American Recovery and Reinvestment Act: Big Healthcare Compliance Changes

By: *Catherine Sicker, Corporate Compliance Officer*

You may not have realized it, but the stimulus package, formally named the American Recovery and Reinvestment Act (ARRA), imposes new healthcare compliance obligations. These new privacy and security provisions fall under the Health Information Technology for Economic and Clinical Health (HITECH) Act, and include:

- ◆ New requirements for Business Associates (BA): HIPAA Security Rule will apply directly to BAs of Covered Entities (providers, payers and clearinghouses)
- ◆ New breach and disclosure notification requirements [ARRA defines a breach of protected health information (PHI) as the unauthorized acquisition, access, use, or disclosure of PHI.]:
 - ▶ Notify each person whose unsecured PHI is disclosed in a breach.
 - ▶ Send notices to media outlets if the breach involves more than 500 residents in a state or jurisdiction.
 - ▶ Notify the Department of Health and Human Services

(HHS) immediately of a breach that involves more than 500 people.

▶ Submit an annual report to HHS documenting any breaches that involve fewer than 500 people during the year.

▶ BAs are required to notify Covered Entities of any breaches.

- ◆ Mandates that HHS post annual list of Covered Entity's fines, corrective actions, and technical assistance requirements.
- ◆ Increase in civil penalties
- ◆ Funds and mandates audits
- ◆ Permission for patients (non-Medicare) to pay out of

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The seventh annual Xpeditor User Conference was held May 5-6 at the Crowne Plaza-Cleveland Airport Hotel in Cleveland, Ohio. Story on page 3.

Quadax is Getting Greener!

By: *Brian Baddour, PAS Programmer/Analyst*

Quadax is undertaking a corporate initiative to examine what we can do to become a more earth-friendly organization. For years, our company has reduced and securely recycled paper, and recycled aluminum cans, too. That's a pretty good start. But our employee-run Wellness Committee thought we could do more, both as individuals and as a corporation.

Our new facility gives us some green opportunities. Yard byproducts, such as lawn clippings and leaves, are being cut and left as natural mulch. We've also begun programs to safely recycle fluorescent lights and cardboard. Our

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2009 Xpeditor Enterprise User Conference

By: Cyndi Palmer, Senior Manager, Marketing

The 2009 Xpeditor Enterprise User Conference concluded on May 6th in Middleburg Heights, Ohio. Approximately 100 Xpeditor users attended the seventh annual two-day conference.

The keynote speaker this year was Jeanne Scott, “the Nation’s Leading Healthcare Lobbyist,” addressing the group about changes to the political landscape and their impact on healthcare policy, payment, and practice.

General Sessions, supporting this year’s conference theme of “Sound Revenue Management,” included presentations on comprehensive new Quadax offerings for RAC Management and Denial Management.

Breakout sessions gave users the opportunity to learn, in smaller groups, about specific ways they could improve



Susan Cunningham, Account Manager, hands out this year's conference giveaway to clients. Each client attendee was equipped with a debossed Quadax portfolio packed with conference literature

Feedback from conference attendees was very positive, with 95% of respondents rating their overall conference experience either “Excellent” or “Very Good.” One attendee representing a northern Ohio hospital commented, “You always put on a great educational conference....I have not met anyone on the Quadax staff that doesn’t have great customer service skills. I really believe you do have our best interests in mind.”

Quadax’s great staff, together with Quadax’s great clients, makes an unbeatable combination. We value the partnership we have with our customers because by working with them toward the same goals, we are able to continually improve our products and services to our clients, so that our clients can continually improve their revenue cycle performance. ♦



Tom Klemens, Manager of EDG, was one of many Quadax employees who presented during a breakout session the second day of the conference.



*Jeanne Scott, the nation's leading healthcare lobbyist, was the keynote speaker of this year's conference. Her presentation, **A new year, a new President, a new Congress- Does there need to be a new you?** was enjoyed by both attendees and Quadax employees.*

their business operations with Xpeditor. One very popular session highlighted the Client Automated Secondary Process Review (CASPR) program, through which our remittance experts consult with clients to make use of tools, settings, and new functionality to eliminate much of the manual intervention typically required for COB claims. Another breakout session featured hands-on Excel training to help users make the most of Xpeditor Five Series reports. Five other workshops rounded out the offerings for breakout sessions.



Future Billing Requirements Related to ANSI 5010 837 Implementation

By: Chuck Parker, EDI Systems Manager

While the implementation of the ANSI 5010 version of the healthcare EDI transactions seems a long way off, 2012 will be here faster than you think. Along with the changes in the ANSI format, there are other subtle *billing* modifications that may drastically change how you create your UB-04 (Institutional) claims. The elimination of several segments/fields will reduce some of the data sent, while at the same time, new segments/fields are being added that are not even on the hardcopy form. Many of the deleted fields are somewhat obscure and were generally not used anyway, while others were being used. Several stand-alone fields will be moved to other reporting mechanisms, like Value Codes, on the UB-04. *Some* of the field changes are:

- ▶ Responsible Party Name and Address – eliminated
- ▶ Payer Estimated Amount Due – eliminated
- ▶ Patient Paid Amount – will be Value Code FC
- ▶ Claim Day Fields (Cov., Non-Cov., LTR and Coins. days) – will be Value Codes only.

Many additional segments/fields could cause the billing of Institutional claims to get a whole lot more complicated, if implemented by CMS. They include:

- ▶ A new Pay-To Plan Name, Address and ID loop – 2010AC loop
- ▶ A separate segment for Referral Number (split out

from the Prior Auth. field) – 2300 loop/REF segment

- ▶ Rendering Provider Information – 2310D loop
- ▶ Remaining Patient Liability – in both the 2320 loop/AMT segment and 2430 loop/AMT segment
- ▶ Line Item Control Number (a control number linked to a specific payer line item payment for tracking purposes) – 2400 loop/REF segment
- ▶ Physician Information – at the charge line level (Operating, Other Operating, Rendering and Referring physician)

The different segment qualifiers and additional fields mean many changes are in store for the ANSI 5010. Other changes include sending Patient Reason for Visit codes, E-Diagnosis codes and the extra Physician Name/Number fields, as well as the future conversion to ICD10 codes (in 2013).

Quadax will, of course, adhere to all requirements to make sure we are HIPAA compliant and use the tools at our disposal to test these new formats. Quadax currently employs the services of Claredi to certify our ANSI formats are compliant with HIPAA mandates. We highly recommend that anyone who utilizes the ANSI 837 internally purchase the final ANSI 5010 version of these specifications from Washington Publishing, and then closely review the specifications so you fully understand what is required to implement this mandated format. ♦



Quadax is Getting Greener!

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Wellness Committee is now planning ways to recycle plastic and even coffee grounds!

Energy efficiency is also part of managing natural resources. Our corporate headquarters has a power transformer, which radiates a lot of heat, in a room adjacent to our garage. The equipment and fuel to keep that power room cool and the garage warm in the winter would cost thousands of dollars. Our Facility Management staff found a "greener" alternative and commissioned the installation of an exhaust fan to balance the temperature in those rooms. That solution will both shrink our bottom line *and* reduce our carbon footprint!

In observance of Earth Day 2009, the Wellness Committee hosted a seminar for our employees to educate them about our corporate recycling efforts and simple steps they can take at home to protect our environment. Rose Volpe, the Recycling Coordinator for Middleburg Heights, spoke about recycling efforts in the community.

Looking back, we've learned a couple things. One is that companies, whether small or growing, can make a huge impact, recycling literally tons of material that would otherwise have gone to a landfill. Another thing we learned is that it's surprisingly easy and profitable to be a "green" company. Interested? Contact your local waste authority or your state EPA office. ♦

Online Payments through MyDrBill or MyLabBill

By: Candace Wintering, Manager, Technical Communication

Now that over half of American households are banking online, online bill payment has become an accepted—even expected—service. This trend applies to healthcare payments, and Quadax offers a unique solution that is integrated into our HARP A/R management software.

Patients can log on to www.MyLabBill.com or www.MyDrBill.com anytime to pay their medical bills by credit card in a safe, secure environment. Online credit card payments are recorded on the patient's tickets in HARP. In the near future, payments can be automatically posted to HARP from an electronic payment file, similar to a remittance advice.

But MyDrBill and MyLabBill offer more than just online payments. Patients can also:

- ◆ Update their personal information, such as home address or insurance, ensuring that bills are sent to the correct address and claims go to the right insurance.
- ◆ Check their balances to see when and how payments were applied.
- ◆ Dispute charges. The Red Flag Rules require a means to dispute questionable charges as a component of an identity theft prevention program.

- ◆ Access the phone number of your office or call center to make credit card payments through one of your representatives.

Online payment is not limited to patients. Healthcare professionals can take advantage of this service to pay their client bills (roster bills) online by credit card.

Features of MyDrBill/MyLabBill

- ◆ Patient statements and client bills include the easy-to-remember URL (www.MyDrBill.com or www.MyLabBill.com) and the access code for logging on. Your practice's Web site can also provide a link.

- ◆ After logging on to the secure site, your own logo appears on the site's pages along with specific contact information for your practice.

- ◆ All credit card data is transmitted directly to the payment gateway, which reduces the risk of processing and storing credit card information in your office.

- ◆ Our safe and secure environment meets Payment Card Industry (PCI) data security standards.

- ◆ Real-time processing of payments results in faster reimbursement.

Are you interested in providing this high-end service to your patients for low-end fees? Contact your account representative to learn more. ◆

Effective RAC Management with Audit Control^X

By: Cyndi Palmer, Senior Manager, Marketing

Recovery Audit Contractors (RACs) engaged by CMS to find and correct overpayments (and underpayments) will have serious impact on every hospital in the country—if not through crippling takebacks, then certainly through the debilitating drain on hospital resources as staff is mobilized to respond to audits with documentation, analysis, and appeals.

The Quadax strategy to assist clients with their defense is an allied approach: the partnership of best-in-business organizations to present the strongest RAC solution on the market today—**Audit Control^X**. Within Audit Control^X are these individual components, each critical to effective RAC management, each delivered by the organization whose core competency is to deliver a best-in-business solution in that area:

- ◆ Powerful software developed by Quadax—Axis™
- ◆ Skilled manpower from Human Arc—PayerLogicSM RAC Response service
- ◆ Preventive edits added to your Xpeditor batch processing

The best in the business for powerful, flexible software is our own staff of software engineers; they've developed Axis™ —a secure, web-based toolset to equip hospital staff and/or Human Arc specialists to stay on top of every audit as well as the overall impact of RAC through robust report-

ing. This hosted system interfaces with Xpeditor and your network to facilitate compilation of documentation required to support an appeal. Axis™ tracks the status of all outstanding audits, reports the dollars at stake, and collects relevant data with which to prepare cost reporting in addition to other standard reports. Workflow and alerts are highly configurable, as is the integrated report scheduler.



Audit Control^X by Quadax is one part of Xpeditor Xtensions—the premier system for better bottom-line results in your healthcare business office.

accurate workflow processes that adhere to RAC guidelines and due dates. Human Arc's PayerLogicSM RAC Response reduces the administrative burden on your hospital staff and supports your in-house process improvement strategies to minimize future audits in areas of risk.

The best in the business for preparing claim review edits, from a clinical and compliance perspective, is Quadax partner The Wellington Group, who has powered the Audit Control^X Preventive Edits, which may be added to your current Xpeditor edit routines to identify claims that are likely to be selected for RAC automated or complex reviews, thus reducing future exposure.

To learn more about Audit Control^X by Quadax, contact Jim McCauley at JimMcCauley@quadax.com or Len Stusek at LenStusek@quadax.com. ◆

Refine Receipt Posting

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workload distribution can be intuitively managed to deal with unexpected volume and staffing changes. As a final bonus, the traditional paper-laden environment is minimized, resulting in tangible storage savings as well as easily retrieved remits.

If you are interested in learning more about this coveted solution, please contact Phil Conard, VP of ECM Services, at 440-788-2176 or philconard@quadax.com. Additional information can be found on our Web site at www.quadax.com/ECM. ◆

“Enterprise Content Management (ECM) is an industry term that encapsulates the strategies and tools used to capture, store, and manage corporate content.”

Quadax Retiree Mary Campagna

By: Karen Michalczyk, A/R Business Analyst, HARP Client Services



At the end of March, Mary Campagna retired from Quadax after nearly 30 years of service. Mary was a Supervisor in the Treasury Department, which supports HARP Manager clients in our A/R Services division. She had been involved in the Treasury Department for more than 20 years.

Mary was a friend to many at Quadax, and her wonderfully positive attitude trickled down to her employees and all who had contact with her.

Mary loves the outdoors and plans to work in her yard more, travel, and get together with her retired friends and siblings. She reports that she is so busy in her new life—just a month after retirement—that she is never home and doesn't know how she ever had time to work! We all wish Mary much fun in her life after Quadax! ♦



MARY CAMPAGNA AND HER COLLEAGUES IN THE QUADAX TREASURY DEPARTMENT

Big Compliance Changes

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pocket for a healthcare service and request nondisclosure of the rendered service.

- ♦ Enforcement authority granted to state attorneys general to bring civil actions in federal courts against individuals who violate HIPAA.

Another focus of HITECH is the security of PHI. HHS and the Federal Trade Commission (FTC) both recently issued proposed regulations to satisfy their obligation under HITECH. The information security guidances relate to two sets of breach notification regulations. The first, applicable to covered entities and BAs was issued by HHS and the second, applicable to vendors of personal health records and certain other non-HIPAA covered entities, was issued by the Federal Trade Commission.

— The HHS security guidance is clear that its recitation of information safeguards, through proposal pending public comment, is intended to be exhaustive. The guidance acknowledges that use of the technologies and methodologies described therein are not required, but if used, “create the functional equivalent of a safe harbor” with respect to the breach notification provision of HITECH.

HHS is required to specify technologies and methodologies that will render PHI unusable, unreadable, or indeci-

pherable to unauthorized individuals. If Covered Entities and BAs apply technologies and methodologies specified in the guidance to PHI, they will not be required to provide breach notice to affected individuals, HHS or the media. PHI may be secured through:

♦ Encryption

- ▶ Data at rest: National Institute of Standards and Technology (NIST) SP800-111, entitled “Guide to Storage Encryption Technologies for End User Devices.”
- ▶ Data in transit: Federal Information Processing Standard 140-2; or

♦ Destruction

- ▶ Paper, film, or other hardcopy media: shredded or destroyed such that PHI cannot be read or reconstructed.
- ▶ Electronic media: cleared, purged, or destroyed consistent with NIST SP800-88, Guidelines for Media Sanitization.

Because these provisions are now written into federal law, as opposed to administrative rules, and subject to severe penalties for noncompliance, covered entities and BAs must make their privacy and security compliance a top priority. ♦



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Healthcare revenue cycle solutions from
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