

## AUDITOR'S CORNER

### WHAT IS MEDICAL CHART AUDITING?

It never seems to amaze me the various definitions of a medical chart auditor. An auditor must be independent and at the same time a leader. The auditor is sometimes seen in a negative light that we are there to find fault instead of there to proactively identify, not unlike, preventative medicine approach to billing. The auditor is involved in all revenue generating departments within a hospital and has a wealth of information to share with department directors and the responsibility to teach compliance and Charge Description Master (CDM) responsibilities to the departments affected is essential to the position. In defending Hospital's billed charges, an auditor must gather, clarify, obtain policies and procedures, and analyze the standard of care and billing practiced sometimes up to five years old from the patients discharge date. Persistence in follow up for the detailed information to support the

charge is never ending. There is always the "Agree to disagree" but it should be noted that the contractual agreements **MUST** be considered and interpreted clearly by the facility and insurance auditor in the defense audit. So, add another responsibility to their repertoire. Another issue seems to be that many care providers view this process as low priority clerical function, this irrational conclusion may result in payer denials and Medicare inquires which may result in expensive penalties due to inaccurate billing.

#### An Auditor's Ever Evolving Position...

Auditor in the medical realm is an evolved position that incorporates nursing analysis, facility including inpatient and outpatient billing knowledge, quality risk management concerns as well as compliance knowledge base. A completely objective analysis is essential in this

[Continued on page 2, Auditor](#)

### STREAMLINE YOUR TASKS

You can save time by grouping administrative tasks throughout the week. *Here are some strategies:*

**Making phone calls** — Create a list of the people you need to call daily. Make all of your calls at one sitting. Once you get started, each call becomes easier and more efficient. Schedule your calls early in the morning, just before lunch, or at the end of your work day.

**Reviewing/Reading** — Whenever you leave the office, take some reading

[Continued on page 3, Streamline](#)

### VOLUME 1, ISSUE 1, JULY '07



There is always the "agree to disagree" but it should be noted that the contractual agreements **must** be considered and interpreted clearly by the facility and insurance auditor in the defense audits.

### QUOTE OF THE MONTH

"The best executive is one who has sense enough to pick the right individual to do what he or she wants done, and self-restraint enough to keep from meddling with them while they do it."

### INSIDE THIS ISSUE

- What is Medical Chart Auditing?
- Streamline Your Tasks
- About Us
- CMS Rule Alters ASC Payment System

To go to the Auditor's Corner Archives, [click here](#).

Questions or comments? E-mail us at [info@ahapinc.com](mailto:info@ahapinc.com).

## AMERICAN HEALTHCARE AUDIT PROF., INC.

We are a premier Medical Consulting and auditing firm which provides Medical Chart Auditing, Certified Coding, and Consulting Services. With the help of our highly experienced Nurse Auditors and Certified Coders, we help our clients obtain specific goals in the areas of:

- Medical Chart Auditing
- Certified Coding
- Contract Auditing
- Case Review & Preparation
- Expert Witness Testimony
- Consulting Services for Attorneys & Healthcare Providers
- Worker's Compensation Reviews



## AHAP INC. CONTACT INFO

### Business Address

23411 Aliso Viejo Pkwy., Suite  
K180  
Aliso Viejo, CA 92656

Toll Free: (888) 816-7758  
Local #: (949)-448-8296  
Fax #: (949)-203-2298  
E-mail: [info@ahapinc.com](mailto:info@ahapinc.com)  
Web: [www.AHAPInc.com](http://www.AHAPInc.com)

## CONTINUED FROM PAGE ONE — AUDITOR

medical business. An auditor has different responsibilities facility wide as does the insurance auditor has in their realm but the audit should be conducted in the same manner the ultimate goal is a clean bill no matter what alliances you feel towards your employer. From a nurse's perspective, keeping the clinical focus of the course of treatment and incorporating to the billing process is a daunting task and can become overwhelming without a focus. Prioritizing department by department does make the audit more manageable. Verifying all results are documented and ordered is essential to support the charges.

### Communicating Within Departments...

Teaching is mandatory function of the chart auditor. Examples include policy and procedure development and ensuring that the facility is in compliance with its established policies. The Medical Auditor shall communicate audit outcome statistics and identified problems to administrative management and conduct the monthly meeting of the Hospital Chart Audit Committee. All responsible departments involved with revenues affected by audit outcomes are paramount to the audit resolve for issues identified during the audit committee meeting. It is essential that the Chief Financial Officer and Department Directors attend these meetings to support the importance of the audit functions in the facility not to mention the tremendous growth and understanding of the CDM for the departments addressed and that there are consequences for repeated unresolved concerns identified by audit results.

### Conclusion...

As a Certified Medical Audit Specialist, I encourage auditors to develop and educate themselves and share your knowledge and focus to complete the chart audit tasks not taking on so many duties as to be unable to complete audits in which no other employee has the training to complete. In conclusion, Auditing takes endurance knowledge people skills and determination for doing the right thing the right way, in short the next time you see your auditor smile

and appreciate the work they contribute to your organization that rarely is recognized.

**Julie Doumad RN, BSN, CMAS  
CEO - Audit Services ([American Healthcare Audit Professionals, Inc.](http://www.AmericanHealthcareAuditProfessionals.com))**

Excerpts from this article were also published in "THE MONITOR" publication for AAMAS (The American Association of Medical Audit Specialists) in their December 2004 Publication.

## CONTINUED FROM PAGE ONE — STREAMLINE

materials along with you. This way, when you are waiting for an appointment, waiting in line, or stuck in traffic, you can use this time to go through the materials.

*Note:* Have a pen/pencil with you for making notations or reminders.

Billing/Invoicing — Set up a time each week for client/customer billing, tracking, and invoicing. Once you get into a rhythm, it can save a lot of time.

## CMS RULE ALTERS ASC PAYMENT SYSTEM

The CMS today in a final rule revised the payment system for ambulatory surgical centers, basing their payments on the same methodology used for hospital outpatient departments or physicians' offices.

The agency expects to make payments totaling \$3 billion in 2008 approximately 4,600 ambulatory surgery centers. In a separate proposed rule, the CMS sets the new payment rate for ambulatory surgery centers at 65% of the hospital outpatient department rate, a level that may be too low for the American Association of Ambulatory Surgery Centers.

The AAASC has endorsed legislation that would be set reimbursement rates for Medicare at a more generous rate of 75% of the outpatient rate. The proposed rule also includes a 3.3% inflation update in Medicare payment rates for outpatient services next year, plus 10 new hospital outpatient quality measures that hospitals must report in 2008 in order to get full outpatient reimbursement.