

# Introduction

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## Introduction

According to the Trust for America's Health, a non-profit, non-partisan organization, "in 2013, the public health field faces a sea change: a reforming health system, massive budget cuts, an increased focus on accountability and the growing adoption of electronic health records (EHRs) are creating new challenges and opportunities." This is not news to anyone working in the field of public health. This same organization, in a 2013 report entitled *Investing in America's Health: A State-by-State Look at Public Health Funding and Key Health Facts*, stated "a number of independent evaluations have found that for decades, funding for public health and prevention has not kept pace with the responsibilities and requirements of health departments." One of its recommendations for increasing and sustaining funding levels to meet the public need is:

*Public health departments should only pay for direct services when they cannot be paid for by insurance.*

This manual has been designed to assist Wisconsin's local public health departments in obtaining insurance reimbursement for their clients whose health plans cover immunizations. Insurance reimbursement would help accomplish the following:

- Maintaining a more stable vaccine supply for un/underinsured children by increasing public funds available, through a cost recovery reimbursement mechanism, to purchase pediatric vaccines.
- Providing additional funding to support and improve adult and adolescent immunization programs or programs targeting other vulnerable populations.
- Strengthening immunization infrastructure.
- Replenishing vaccine inventory<sup>1</sup>.

## Billing Project Background

Effective October 1, 2012, the Centers for Disease Control and Prevention (CDC) deemed it inappropriate for Section 317 vaccine to be used for routine vaccination of children, adolescents, and adults who have public or private insurance that covers vaccination. As a result, LHD's in Wisconsin must either direct those with insurance to their primary provider or obtain private vaccine supplies and seek reimbursement from the client's health insurance plan.

The Section 317 program is a discretionary federal grant program<sup>2</sup> to all states, 6 cities, territories and protectorates which provides vaccines to underinsured children and adolescents not served by the Vaccines for Children (VFC) program, and as funding permits, to uninsured and underinsured adults.

The Wisconsin Department of Health Services, Division of Public Health was awarded a CDC grant to develop strategic action plans to bill for immunization services rendered to insured individuals in local health departments. The grant is funded by the Affordable Care Act, Prevention and Public Health Fund (PPHF).

When this project began, a needs assessment was performed by surveying the LHD's. Of those who responded, it was learned that:

- 57 (81%) are billing for immunizations services
- 18 (26%) are billing only during the flu season
- 30 (43%) are currently billing only Medicaid and/or Medicaid HMOs

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<sup>1</sup> <http://www.astho.org/Programs/Immunization/Third-Party-Billing-for-Vaccines/>

<sup>2</sup> <http://www.cdc.gov/vaccines/programs/vfc/downloads/grant-317.pdf>

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- 3 (4%) are working with local employers and billing them directly
- 33 (47%) are using electronic billing software
- 16 (23%) are using the PC-ACE Pro32 software at no cost from CMS
- 12 (17%) are using the PES software, at no cost for Medicaid
- 6 (9%) were using other software products
- 5 (7%) are using Forward Health's Portal

When asked the question, “*From which of the following entities does your health department seek reimbursement for vaccine privately purchased by your local health department (i.e. non-state supplied vaccine)?*” those replying indicated:

- 22 (31%) bill private insurers/HMO's
- 11 (16%) bill Medicaid
- 39 (56%) bill original Medicare
- 1 (1%) bill Medicare Advantage plans
- 6 (9%) bill direct to patient, business or school district

Why weren't more LHD's billing Medicaid, Medicare and especially, commercial plans? One of the barriers to claim submission is the amount of denied claims. The top five denial reasons are:

- 14 (26%) reported *vaccine not a covered service*
- 12 (22%) reported *patient not eligible on date of service*
- 12 (22%) reported they were *out of network* for the payer
- 10 (19%) reported *coding errors*
- 6 (11%) reported *deductible not met*

Other significant barriers that LHDs identified included:

- insufficient staffing levels, especially to handle front-end eligibility and back-end accounts receivable,
- contracting process is too time consuming,
- patients don't have insurance information with them at time of visit,
- the return on investment (ROI) is not there for the level of reimbursement received,
- insurance process and medical coding is too complex without proper training, and
- HMO issues, such as not keeping current with procedure codes, not recognizing LHDs as legitimate, in-network providers and non-standard timely filing and resubmission requirements.

### **Immunization Billing Manual Developed**

Through extensive input, via surveys, summit meetings and work groups, it was decided to create a billing manual that would take the user through the entire billing process from becoming a participating provider to final posting of the payments. The manual is broken into sections for LHDs to easily access the necessary information in the appropriate chapters, if they are already have experience with billing. It can also be used as a full implementation guide for those LHDs that need to set up a billing program.

The information has been gathered from many sources, including industry associations, websites, payers, federal and state statutes/regulations and other grantees. Options are given to customize information for specific LHD requirements. Wherever possible, examples are used to enhance understanding of topics. In many cases, high level instructions are presented, but hyperlinks can be used to access full documentation.

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## Topics in the Manual

### Section 1 - Participating Provider Application

#### Process

##### Key Concepts:

- National Provider Identifier (NPI)
- Preparation & enrollment processes
  - Commercial health plan
  - Medicare
  - Medicaid

### Section 2 - Participating Provider Credentialing

#### Process

##### Key Concepts:

- Standards
  - NCQA
  - URAC
  - Medicare Advantage
  - WI statute
- Credentialing preparation & process
  - Medicare (included revalidation project)
  - Medicaid
  - Commercial plans
  - CAQH plans

### Section 3 - Participating Provider Agreements

##### Key Concepts:

- Agreement types
- Contract
- Memorandum of Understanding
- Contract clauses
  - Medical necessity/policy
  - Prompt payment
  - Hold harmless
  - Liability insurance
  - Timely filing
  - Coding edits
  - Reimbursement
  - Coordination of Benefits (COB)
  - Renewal
- Miscellaneous
  - Directory publication
  - Own use concept
  - Silent PPO concept

### Section 4 - Claim Submission

##### Key Concepts:

- Understanding codes
  - Procedure codes
  - CPT
  - HCPCS
  - Modifiers
  - Diagnosis codes
  - ICD-9

- ICD-10
- Place of Service codes
- Billing Formats
  - Superbill
  - CMS 1500 paper claim
  - 835 electronic format claim
- Submission formats
  - Paper
  - Electronic

### Section 5 - Payer Claim Process & Payments

##### Key Concepts:

- Claim process
  - Automated review
  - Claim resolution
- Payments
  - Patient notification documents
  - Remittance advice
  - Explanation of Benefits (EOB)
  - Medicare Summary Notice (MSN)
- Claim numbers
- Balance billing
  - Patient responsibility
  - Contractual obligation
  - Sequestration

### Section 6 - Eligibility and Coverage

##### Key Concepts:

- Eligibility concept
- Coverage concept
- Patient Intake Process
  - Gather information
  - Interpreting ID Cards
- Verifying eligibility and coverage
  - Online verification
- Coverage and Benefits
  - Commercial plans
  - Medicare
  - Medicaid

### Section 7 - Vaccine Funding

##### Key Concepts:

- Funding sources
  - Purchasing groups
  - Manufacturer Assistance Programs
- Applying for Grants
  - Composition
- Tips for writing proposals
  - Online statistical data sources
- Grant Sources
  - Foundations
  - Focused organizations
  - Governmental

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## Section 8 - Financial Policy

### Key Concepts:

- Developing and maintain charges
  - Create a maintenance database
  - Medicare physician fee schedule
  - Usual, reasonable, customary fees
  - Private vaccine charge
  - Administration fee
    - Medicaid
    - Medicare Part B
    - Medicare Part D
  - Sliding fee schedules
- Accounts Receivable & Collections
  - Residency requirements
  - Payment expectations
  - 3rd party billing expectations
  - Client payments
  - Collections
  - Delinquent accounts
  - Failed collections

- Returned checks
- Refunds Reporting

## Section 9 - Vendor Management

### Key Concepts:

- Software search
- Hardware
- 3rd party vendor cost
- Vendor types
  - Clearinghouses
  - Payer direct entry applications
  - Electronic medical records
  - Claim billing systems
  - Billing services (outsourced)
  - Immunization registries
  - Vaccine ordering systems

## Section 10 - FAQs

## Section 11 - Payer Fact Sheet

