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Using Third Party Billing Companies

4/10/2025

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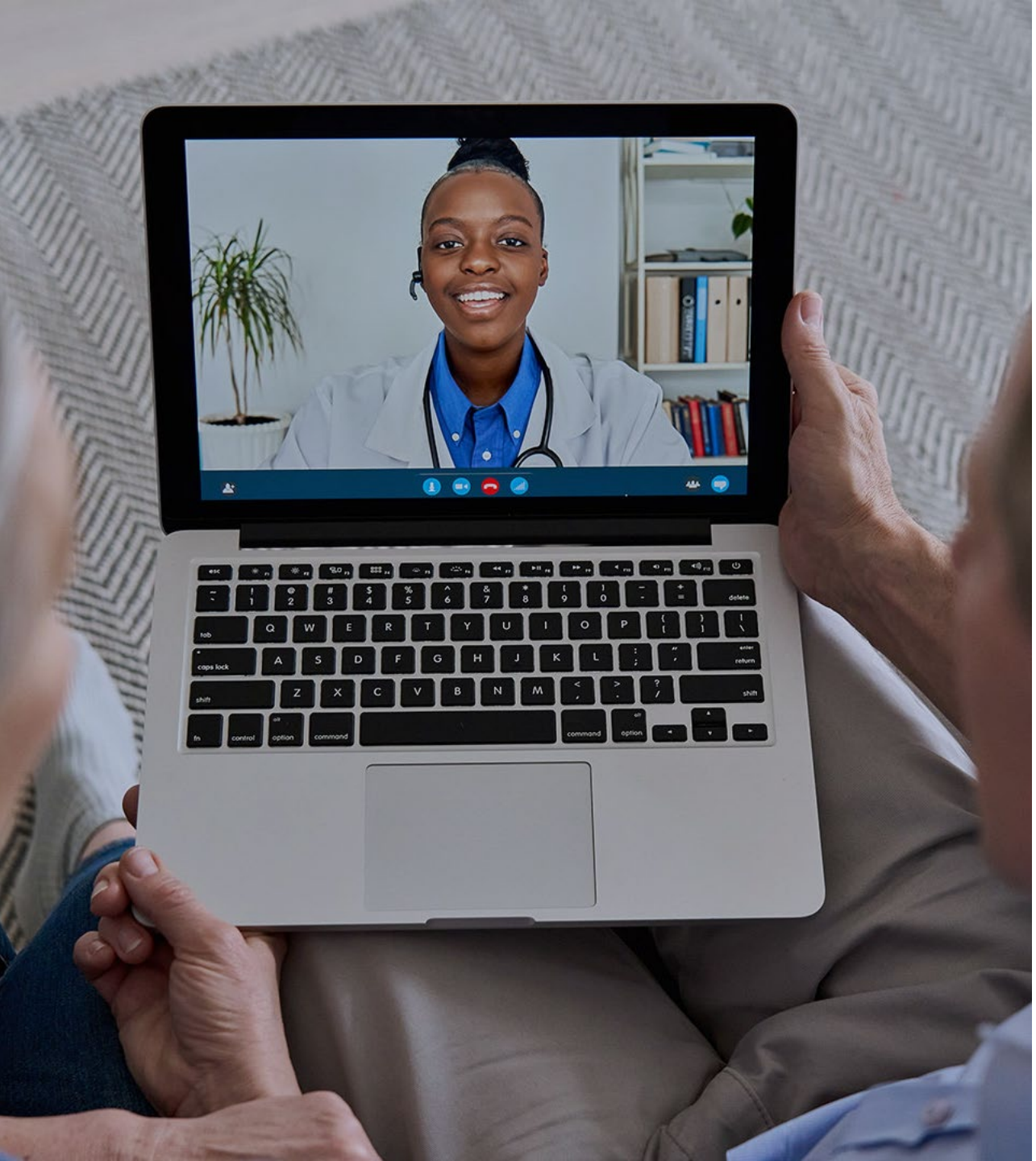

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Objective

Medicare providers frequently outsource their billing, financial, and enrollment services. This webinar highlights the need to contract with CMS-approved entities and ensure these contracts include measures to protect PII and PHI.

Today's Presenters

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Agenda

- Define Third-Party Companies
- Medicare Provider Legal Responsibilities
- Identified Trends and Provider Impact
- Questions for Third-Party Companies
- Resources

Define Third Party Companies

Define Third Party Companies

- A third party company, or third party representative, is an entity outside of your own organization that handles billing, invoicing, and payments of Medicare claims
  - Your organization will have a service contract with this entity to complete these duties
- Examples
  - Billing agencies
  - Clearinghouses
  - Software vendors
  - Auditing firms

Medicare Provider Legal Responsibilities

Legal Responsibilities

- Medicare providers are legally accountable for the actions of their employees and contracted companies
- Providers sign Medicare contracts, accepting full responsibility for claims and handling PHI
  - Enrollment forms
  - Claims submission
  - EDI

Compliance Tips

- Tips for Medicare-enrolled providers to ensure they and their contractors adhere to Medicare guidelines
  - Step 1 – Identify how your third party entities protect your data
  - Step 2 – Discuss and document how they will meet timely and accurate claim, appeal, documentation submission
  - Step 3 – Determine your contractual charge structure
- CMS does not differentiate between providers and third party biller agencies

CMS Approved Entities

- Many third party companies are reputable and knowledgeable
  - Network Service Vendors
  - HETS 270 271 Approved Vendor List (cms.gov)
  - Compliance Review Program

Identified Trends and Provider Impact

MAC Initiatives

- Take an active approach to identify high volume callers to reduce costs to the Medicare Trust Fund
  - Track high volume callers
  - Track data by NPI, PTAN, and call in phone numbers
  - Contact the billing provider when inappropriate trends detected
  - Offer feedback and education
  - After education, if provider still not compliant, report issue to CMS

Problem Areas

- The phone number and contact person captured is unknown to the provider/group
- Third party callers state they do not have access to self-service tools
  - Callers use spreadsheets, not remittance advice
    - Do not have all required information
    - Are unaware of claim status
    - Use of self-service tools is required by CMS
      - CMS IOM Publication 100-09, *Medicare Administrative Contractor (MAC) Beneficiary and Provider Communications Manual*, Chapter 6, Section 50 – 50.1

Problem Areas - continued

- Duplicate Billing
  - Claims are repeatedly billed with the same error
  - Providers should be verifying status before resubmitting a claim
- Clerical Errors
  - Provider names spelled incorrectly
  - Incorrect forms used
    - Appeal, reopening, ABN, etc.
- Scripted Calls/Written Inquiries
  - Examples
    - Asking for basic claim information that is available on the remittance
    - Asking for provider's mailing address
    - Asking for MAC mailing address, and provider submits electronic claims
    - Provider's EDI submitter ID when the provider is frequent biller

Provider Impact

- Medicare-enrolled providers are accountable for the actions taken on their behalf by third party contractors
  - PHI breaches
  - Abusive billing practices
  - Missing Medicare timeliness requirements
    - Claim submission
    - Appeals
    - Overpayments
- These may result in
  - Delayed or no payment for Medicare claims
  - Risk of failing reviews and audits
  - Additional charges from their third party company
    - Phone calls
    - Claim submission
    - Appeals request

Provider Impact

"MACs shall monitor their incoming calls for non-compliant callers who refuse to use self-service resources, who repeatedly ask same or similar questions despite educational efforts, or who are disrespectful to CSRs."

- MACs may report to CMS for possible revocation of privileges
  - CMS IOM, Publication 100-09, *Medicare Administrative Contractor (MAC) Beneficiary and Provider Communications Manual*, Chapter 6, Section 30.4

Questions for Third Party Companies

Third Party Company Questions

- Who has access to beneficiary PHI
- Who accesses your claims
- Are there subcontractors
- How is beneficiary and provider data protected
- Are they sending information outside the USA

Third Party Company Questions

- Who has access to your claims, PHI and PII
- Who is the point of contact for compliance concerns and questions
- How does the company charge the provider
  - Percentage per claim, per inquiry
  - Added or hidden charges
  - Are refunds recouped
  - Hourly amounts

Third Party Company Questions

- Does their staff thoroughly review claims
- Do they have proper tools
- Is Medicare systems access removed for former staff members
- Is staff trained properly on Medicare rules and regulations
  - Contractor website, YouTube videos, other education, CBTs
- How is compliance enforced

Resources

Resources

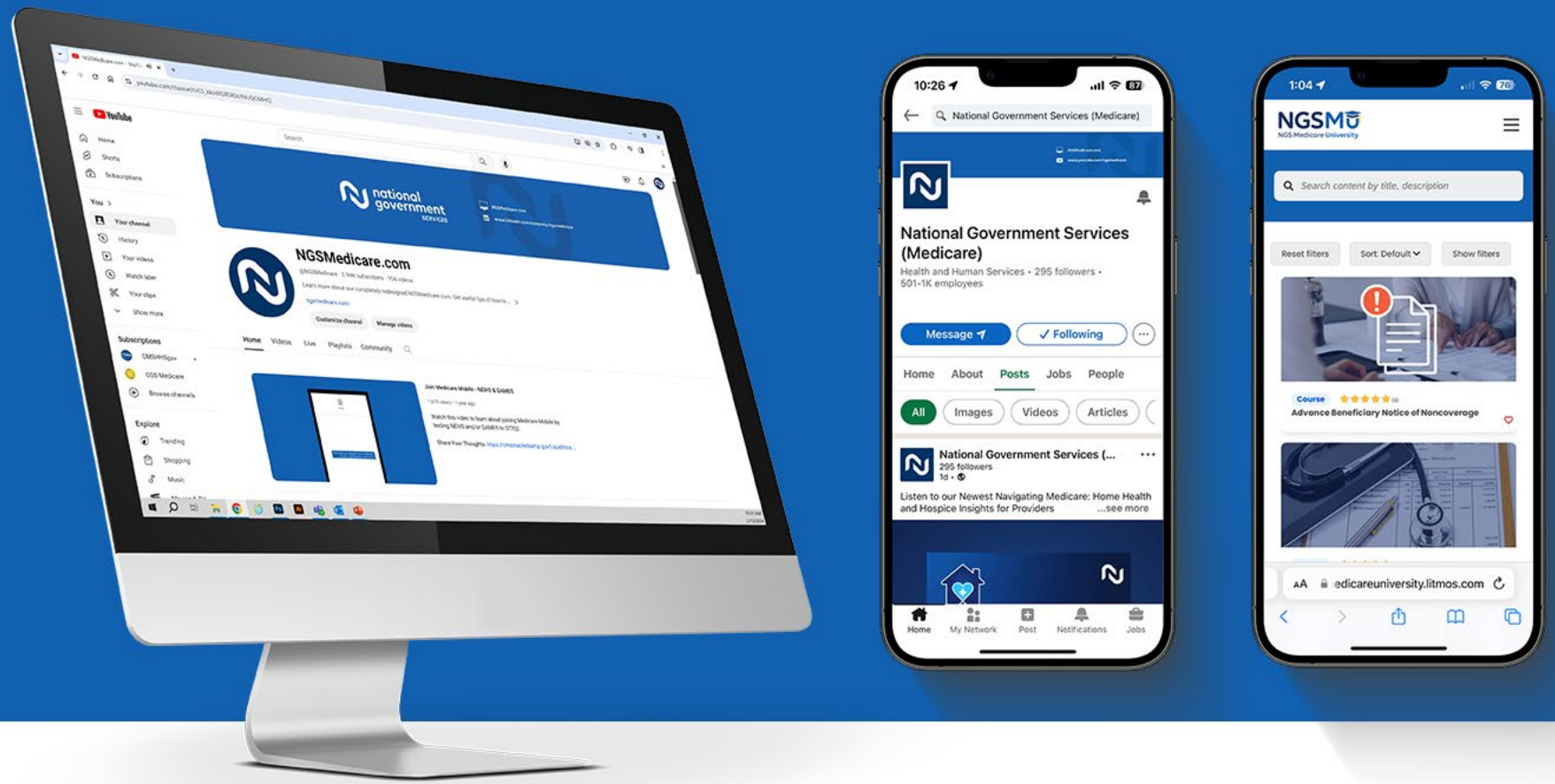
- U.S. Department of Health and Human Services
  - HIPAA Privacy Rule Business Associates Guidance
- Compliance Program Guidance for Third-Party Medical Billing Companies: Federal Register, Volume 63
- MLN® Fact Sheet *Checking Medicare Eligibility*
- Security Rule at 45 Code of Federal Regulations (CFR) 164.308(a)(1)(ii)(A) and (a)(1)(ii)(B)
- Medicare National Correct Coding Initiative (NCCI) Edits
- MBI resources
  - Providers and Office Managers

Resources

- Additional Resources
  - CMS IOM Publication 100-02, *Medicare Benefit Policy Manual*, Chapter 15 – Covered Medical and Other Health Services
  - CMS IOM Publication 100-04, *Medicare Claims Processing Manual*, Chapter 17 – Drugs and Biologicals
  - CMS IOM Publication 100-08, *Medicare Program Integrity Manual*, Chapter 3 – Verifying Potential Errors and Taking Corrective Action
  - CMS IOM Publication 100-09, *Medicare Administrative Contractor (MAC) Beneficiary and Provider Communications Manual*, Chapter 6, Section 50 - PSS Technology

Questions?

Thank you!



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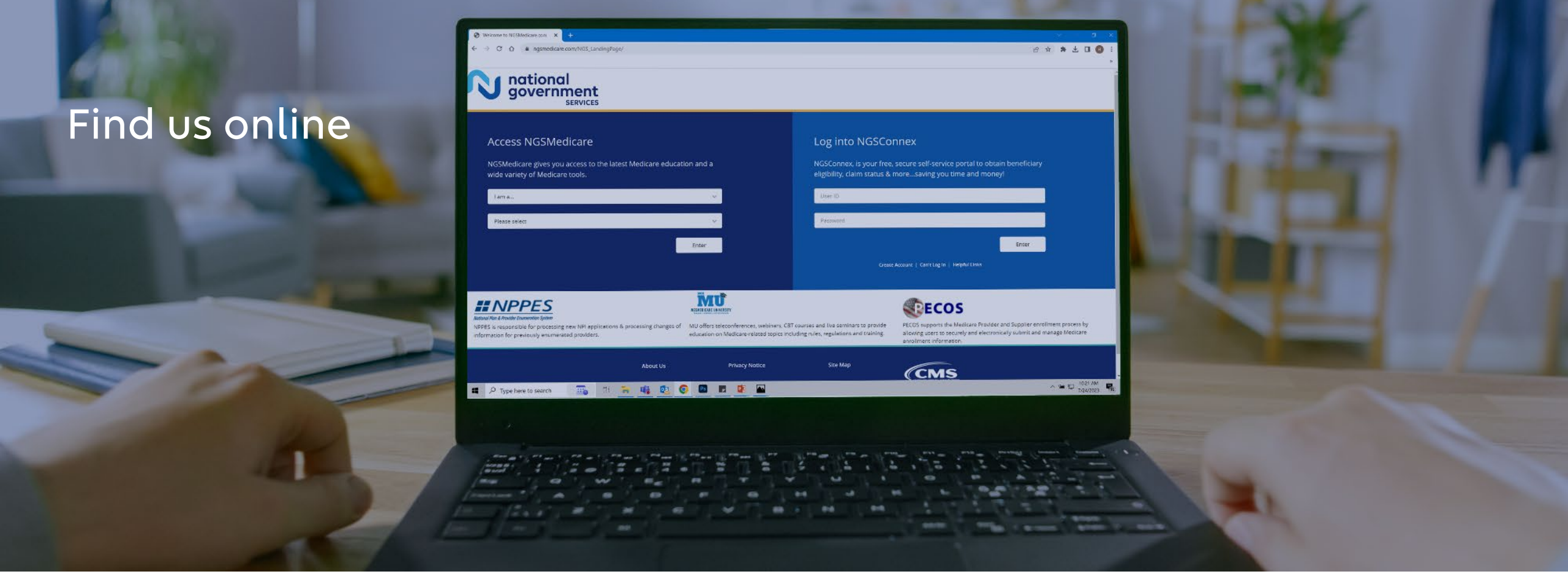

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IVR System
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