

# How to Prepare for a New Year in Practice

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Every new year brings changes to any provider's practice. Thankfully there are few changes to ICD-10-CM diagnosis coding or to the CPT® codes that we use. Those changes have been reviewed over the last few months so, hopefully, everyone is up to speed on that aspect of practice. There are a few other items that should be attended to every year. Many of those items will be reviewed below.

**Outstanding Accounts Receivable:** Carefully review your accounts receivable both from patients and insurance companies. Refile any outstanding claims after a review to ensure that the claim is correct. Bill all patients who have outstanding balances. If patients have been sent multiple bills without responding, consider sending those patients to a collection agency. Contact all patients who have failed to pick up glasses or contact lens orders. If you discover significant issues in any of these areas, carefully review your policies and procedures to correct any that need improvement and to retrain on any policies and procedures not being followed.

**Fee Schedule Reviews:** Many insurances, particularly Medicare, update their provider fee schedules for the coming year near the end of November. This is an excellent time to review the fee schedule set by each office. As a gentle reminder, any fees set for each patient service provided should not be discussed with any other provider(s) outside of your office in order to avoid any anti-trust issues. Each provider should annually review their fee schedules to consider if those fees still meet the needs of the practice. A few items to consider:

- The type of service: difficulty of performing and unique aspects service offers
- Experience and skill necessary to perform a specific service
- The time necessary to perform each service type
- The costs to the provider for the service: staffing, rent, equipment, supplies, insurance filing (often referred to as "chair costs" or "cost of doing business")
- Insurance reimbursement levels for each procedure

Fees are typically set higher than the best reimbursement set by any insurance payor or third-party plan. The fees set by any one practice are considered that practice's Usual and Customary Fees (U&C). The practice fee schedule should not be changed based on who is paying the fees. However, in certain circumstances, a provider may offer discounts. The "rule of thumb" for discounts is that those discounts should not be more than 20-25% of the U&C and for not more than approximately 20-25% of your patient population. This means a provider could offer a 15% discount for "prompt payment" from a patient, or to employees of a specific company in your area. However, contracted agreements with insurance or vision plans for specific fees for specific services falls outside the aforementioned guidelines. The provider's U&C should still be charged to any insurance plan with write-offs taken as appropriate. The main thing to keep in mind, is the fee you charge for each procedure is the fee for that procedure regardless of who is paying for the service.

**Review of Insurances/Vision Plans Accepted:** Providers should carefully review each insurance accepted in the office to determine if any particular plan should be added or dropped. Question if a particular insurance or plan is reimbursing appropriately, is promptly paying, and/or adding value to the practice. If after a careful review of any particular plan or insurance is found lacking, a provider does and should discuss any issues with the plan/insurance representative to see if better terms can be negotiated or if any particular plan no longer serves the interests of the practice.

**Train Staff on Yearly Changes:** Be sure to educate your staff regarding any changes in plans and rules to expect in the new year. Remind staff to always confirm insurance coverage, collect all co-payments, and deductibles that a patient owes at the time of service, and to confirm patient data such as address and phone numbers. The 2024 Medicare Deductible will be \$240 for the year and then will pay 80% of the Medicare allowable fee.

**Review Your Practice Flow:** Take the time to review the flow of your practice. Consider practice hours, scheduling, redundant work required, insurance filing protocols, staff delegation, and any other aspect of your practice that could benefit from improved efficiencies. Happy 2024! Happy Coding....

Novitas Mississippi Fee Schedule: <https://www.novitas-solutions.com/webcenter/portal/MedicareJH/FeeLookup>