STRATFORD

Stratford notes:

*N*ovember marks the beginning of the holiday season. Can you believe another year has past? It has been a great year for Stratford. The company is growing faster than any period in its twenty year history. We now have more than 2600 licensed users.

We have seen an incredible number of changes in healthcare billing. Twenty years ago no one billed electronically. Around 1982 many of the Medicare contractors got their bulletin boards working and they began trying to convert their providers to electronic claims. Almost all hospitals were billing Medicare electronically before 1990. In the late 1980's many of the private insurance carriers began trying to convert to electronic claims.

Now, all the third party payers are looking at standards to lower the costs of electronic claims. The one standard that all carriers have promised to support is the ANSI X.12 format. Most carriers accept the National Standard Format (NSF). NEIC has not made any plans to accept the NSF. All of the Medicare contractors will accept both because they are required by HCFA to accept them.

You can find Stratford's Internet server at this address: http://www.stratfordsoftware.com/

The government's Health Care Financing Administration (HCFA) is contracting for many pilot projects, trying to find out what works. They are spending millions of dollars to find ways to streamline the process of administrating the Medicare and Medicaid plans.

We believe July 1, 1996 will mark the beginning of a new era in healthcare billing.

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Beginning on that date, all Medicare electronic claims will be transmitted in one of the two formats listed above. Once all providers are using standardized formats, the next big change will be to have a smaller number of processing centers. HCFA will have four or fewer in the next few years. You will still have your local Medicare representative. In fact, the people that you know at Medicare may remain the same.

At this time, most Medicare claims are being transmitted electronically. Most providers do not transmit their claims. This means that the larger volume providers are transmitting and the thousands of smaller volume providers are not. How can Medicare get them to transmit? Most of them do not have a practice management program that can transmit. Getting all of them to change to a new program will not be possible for the software vendors. The cost is too great. The resistance is too great. There is not enough money to pay for the sales calls, etc. The only answer that we can see is for Medicare to either discount or refuse to pay paper claims. Stratford customers do not need to worry! •

FROM THE EDI CORNER......

Blue Shield of California, the Medicare contractor for Northern California, has announced the installation of a direct number that can be used to transmit claims for non-participating provider claims. This will eliminate the present requirement for the provider to use a CompuServe connection. We will publish this number in the newsletter when it is available. Please do not call support to obtain this number. Your Medicare representative will know the number before we will know it. If you receive a notice and you wish to change your connection, please fax the new telephone number and your 6 digit Stratford account number (from your monthly statement) with a request to change, to our Burlingame support team at (415) 692 1073. After you are able to successfully transmit claims you must be sure to cancel your CompuServe membership. If you do not cancel it, you will continue to be billed the regular monthly charge even if you do not transmit any claims. Instructions for canceling the CompuServe connection will be published in the Medicare announcement. Do not cancel the CompuServe connection until you are certain that your claims are being received by Medicare. Stratford will not be allowed to cancel your CompuServe connection. You or your employee will be required to cancel it. •

EDI "per-claim" charges
Stratford does not have any "per-claim" or other charges related to transmitting claims to Medicare or any other carrier. We only charge (optional) for supporting

BILLING NOTES

Medicare publication 14-3, Section 3043 requires the use of a new modifier: GA to indicate that a service is believed to be noncovered and that it is being submitted at the beneficiary's insistence. The new modifier should be used for dates of service on and after October 1, 1995. This modifier means "Waiver of Liability Statement on File." The provider is required to submit the claim for that service to effectuate the beneficiary's right to a determination. •

HEALTHCARE TRENDS

Healthsouth Corporation of Birmingham Alabama is the nation's largest chain of rehabilitation centers. They recently became the largest operator of outpatient surgery centers after purchasing Surgical Care Affillates Inc. (SCA). SCA is based in Nashville TN. The new company will have 600 facilities in 42 states. This includes 122 surgery centers, 400 outpatient rehabilitation centers, 77 rehabilitation hospitals and five medical centers. Healthsouth recently purchased Caremark International's chain of physical therapy centers. Earlier this year they purchased 12 surgery centers from Sutter Surgery Centers, Inc. They plan to have at least one rehabilitation facility in every city with a population of at least 100,000.

The State of California Department of Health Services has recently awarded 11 contracts for three million Medicaid beneficiaries. Foundation Health got the largest contract (for Los Angeles county) with 1.1 million potential enrollees. These contracts are for the state's two-plan managed care model that will be implemented in 12 counties in 1996. •

Time is nature's way of keeping everything from happening all at once.

INTERNET CORNER

High tech products are 20% of Finland's exports. There are 100 startups with $1 billion in sales in Oulo, about 145 miles from the Arctic Circle. Finland has more Internet users per capita than the US or England.

Do you care about seeing the digitized output of hundreds of cameras around the world every day? If so, point your browser to: http://www.ovd.com/camcorner/

Microsoft has joined with 24 ISDN hardware vendors to make it easy for users of Windows 95 to connect to the Internet through the Microsoft network. If you "surf the net" you will really appreciate being able to receive those graphic files at 128,000 bps. •

WHY DO I HAVE TO WAIT FOR SUPPORT?

In most cases you will be able to talk to a support person immediately when you call the 800 number. Depending on the time of day, you may wait longer to talk to a support person. We staff our support office using industry standard guidelines. We presently have one of the largest software support organizations in the United States managing our support. They provide support for most of the larger software companies. They give us a monthly report with recommendations. We presently are staffing at the highest rated level. If we were to hire enough staff to reduce the wait time 50%, our average monthly support charge would be more than $1,000. I do not think very many customers would be willing to pay that much.

The support team at the 800 number cannot pass messages to the Burlingame office in a reasonable time. They are not a message service. If you need support from the Burlingame office, you must fax your request

to (415) 692 1073.

Our regular number is not answered in Burlingame. If you leave a message there, you cannot receive priority service. The only way to contact the Burlingame office directly is by fax. We must do this so that the problems can be researched before we call. Playing "phone tag" wastes an enormous amount of time. We are determined to find ways to reach the maximum efficiency at the lowest cost.

If you call or fax more than one time, your call is placed at the bottom of the call-back list by our present procedures. We have had people call 4 times in one hour, thinking that would give them priority. This does not put your call in front of the other calls. It actually keeps your call at the bottom of the list, delaying the call-back. Even though your problem is very important to you and to us, we must give everyone equal attention. If you require a lot of support, you will not be as happy as our average customer.•

SOFTWARE SUPPORT UPDATE

We are now over ten months into our expanded software support project. Everything has been relatively stable for the past six months. The Atlanta, Georgia group is now taking a larger percentage of the calls. We are getting an extensive amount of data regarding individual client calling patterns. This will enable us to eventually charge each client an amount that covers the amount of support actually being used. As of October 25, 1995 our numbers indicate the following averages for a 90 day period:
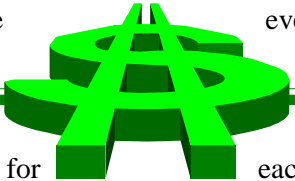
- number of Stratford calls per client: 5.65
- number of "800" calls per client: 1.94

These numbers are lower than reported several months ago. Those clients using significantly more support than the average will receive a notice of a change in their rate for the next billing period. We are tracking the usage over a 90 day "window" so that a major problem in one month will not change the monthly rate.
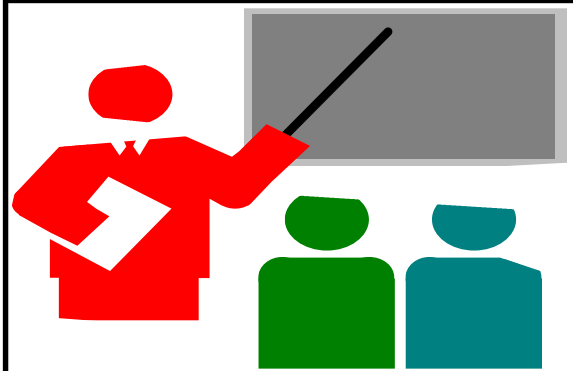
Fax is the best way to get support for problems related to EDI which the regular "800" support line cannot handle: (415) 692 1073. •

EDI SUPPORT UPDATE

The EDI software support is $12.76 per month regardless of the number of third party payers and clearinghouses that you use. This is $3.24 lower than the average charge in the past. Notice of this change was in the September newsletter and on the September statements. As more people begin transmitting more claims, we should   be able to lower this charge   even more.•

Stratford   will pay you $100 for   each person* you refer who purchases Stratford Software at full price ($895). Simply fax or write to give us your referral. **We must receive the referral notice in advance of the sale**. **We cannot pay for a referral if you notify us after the sale.**   *Subject to

ADVANCED TIP OF THE MONTH

Priority support service: The fastest way to get support for most problems is by calling the 800 number. Except for about one hour on Friday afternoon, there will be a trained support technician to answer the phone.

If your problem is related to electronic claims, you may need to contact the Burlingame office by fax. If you call and leave a message, your call is placed at the bottom of the call-back list. If you send a fax with a description of the problem, your call is given priority over other calls. We must do everything we can to avoid "phone-tag" so that we may help the maximum number of people per day. **Do not call more than one time. The second call places your first call at the bottom of the**