

# STRATFORD

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**T**he last time I discussed the electronic claims program was a few months ago. At that time I said that all of us here at Stratford believe that HCFA is serious about the announced changes in Medicare billing between now and July 1, 1996. Many of those things are beginning to happen already. For example, in the past you could expect HCFA to wait for the July deadline and then extend it several times. This time they are phasing it in so that the deadline will be enforceable. They are requiring all the Medicare contractors to have 66% of all electronic claims in one of the two standard formats before January 1, 1996.

**Stratford notes:**

On the inside pages we have listed some changes. We are going to advise (again) everyone to make any necessary changes now. If you wait until the last minute, we will be backed up and we may not be able to get your data converted timely.

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

Remember, the "bad guy" is not Stratford, we are not requiring you to change anything. The "bad guy" is not your Medicare contractor. Even HCFA is not the "bad guy". HCFA was chosen to be the agency that is required to implement the policies.

The responsible people are the taxpayers. The taxpayers do not want to pay for the inefficiency of processing paper claims. The taxpayers do not want to pay for the programming involved with maintaining over 40 different electronic claim formats. The changes that are coming will save the taxpayers a lot of money.

## inside this issue

- A Note From Our President
- From the EDI (ECS) Corner
- Medigap Number
- Billing Dental Claims Electronically
- Future of Electronic Claims
- Medicare Part A UB-92 Physician attestation Review
- Software Support Update
- EDI Support Update



**Have a happy holiday  
season**

We hope you have had a great year. This has been a great year for Stratford. We will soon have 2700 licensed users. We are looking forward to 1996. There will be many changes and challenges. That means there will be many opportunities. •

**Training Classes**  
**SHS Software Basic Training**

In the Stratford Classroom:

Every Friday 9:30 AM -12:00 PM \$95

1:30 PM - 4:00 PM \$95

By Appointment \$95

Call for class availability at least three days in advance.

On-site training with a certified Stratford trainer may be available (*by appointment only*). The cost is \$250.

Telephone training is available (*by appointment only*).

**FROM THE EDI CORNER.....**

HCFA requires its Medicare contractors to have 66% of all electronic claims converted to either NSF or ANSI by January 1, 1996. We have very few clients who are using the old proprietary format at this time. We hope to have all of them converted by January 1. **If we have not contacted you and you are presently billing using the "904" code, please send us a fax (415) 692 1073.** If you continue to use this format, you may be cut off at any time. If you use form type 911-919 or 961-969 to bill electronically, you do not need to change.

We will soon be testing our remittance program with Blue Shield of California. We will be using the ANSI 835 format. When fully functional, this format will allow the provider to transmit the claims to Medicare using the ANSI 837 format. The payments will be deposited directly to the provider's bank account. The EOB (ANSI 835) will be downloaded electronically and will be used to automatically post the patient accounts. This

will eliminate the old problem of batch posting a single payment check to many patient accounts.

CIGNA will not

**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

mail receipt listings and error reports on paper after February 1, 1996. This specifically affects DME billers in Region D. The only way you can get it is to call their bulletin board and download it.

CIGNA has an email address on the Internet. For billing help: [dmercpr@cigna.e-mail.com](mailto:dmercpr@cigna.e-mail.com)

Transamerica Occidental Life Insurance Company (TOLIC) sent letters in October to all providers who are using their proprietary format. They will no longer be making changes to their proprietary format. This means that if HCFA makes any changes in billing requirements, claims will be rejected since there will be no way to comply. They strongly recommend converting to the ANSI 837 format before December 15. This announcement covers a very large number of providers in the Southern California area. This may affect more providers than all the Mid-Western United States. This may be one of the most significant announcements that we will see between now and July 1, 1996. If you read the newsletter every month, you know that we have been telling you that this was going to happen. It has now happened.

We still have customers using the old Transamerica format in the Southern California area. We have contacted all of them. We are ready to convert them. All of these customers have the outdated "Unix type" system that we have not sold for nearly seven years. They must change to a PC or compatible network. We only charge \$29.00 plus tax for the update. We will do the data conversion at no charge if you subscribe to our software support. If you have been looking for a reason to upgrade to a new computer system, you now have the reason. Many customers paid for the new hardware with the savings in maintenance on the old hardware. We have the update well debugged and ready to go. It is now being used by many providers without problems. We do not expect any delays. •

## MEDIGAP NUMBER

A common reason for claims being delayed is related to Medigap information. If you put MG in box 10d of the HCFA 1500 form, Medicare will expect to see a valid medigap number. If you are sure that Medicare has a contract with an insurance company for automatic crossover processing and you do not have a medigap number, be sure to leave box 10d blank or put in a code other than MG or MP. The Stratford claims editing program will prevent the claim from being created. You will have an audit which will explain that you have MG in box 10d with no medigap number for the secondary insurance. This is true for paper and electronic claims. •

## BILLING DENTAL CLAIMS ELECTRONICALLY

Use the following switches in your control files:

*Private pay: (Example: Delta Dental)*

File:  
M7R511.CTL

Switch:  
typeofclaim=dcds creates ADA  
1990 form

*Denticaid (Example: Denti-Cal)*

File:  
M7R513.CTL

Switch:  
typeofclaim=dcds creates  
DC-009  
(11/92) form  
clearinghouse=dcac so it knows dentical vs private •

## FUTURE OF ELECTRONIC CLAIMS

We believe that the Internet may be the long term solution for electronic claims

Stratford will run your Stratford software related classified ad in our monthly newsletter *free*, upon SHS approval!



transmission. This would allow the claims to be transmitted from any location. This would allow the claims to be received at any location. It will eliminate carrier "down time". The claims would be transmitted like regular email at any time. When the claims processing computers were ready, the claims would be delivered. The costs would be much lower than a regular telephone call. The problem with security must be resolved first. We have had several articles in previous newsletters regarding progress in securing the Internet. •

## MEDICARE PART A UB-92 PHYSICIAN ATTESTATION REVIEW

Peer Review Organizations (PROs) are no longer required to perform the physician attestation review. Effective July 11, 1995 this responsibility has been shifted to the hospital. A signed physician attestation prior to submitting a

California Healthcare Management is running seminars in medical billing. The basic seminar for \$50 will be held Saturday, December 9, from 9AM to 2PM. The advanced seminar for \$100 will be held Saturday, December 16, from 9AM to 2PM. To secure reservations, mail checks to:  
CHM  
2130 Palmetto Ave  
Pacifica, CA 94044

## SOFTWARE SUPPORT UPDATE

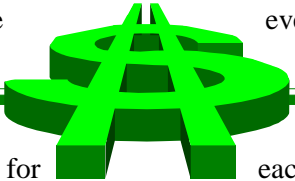
We are now over eleven months into our expanded software support project. Everything has been relatively stable for the past seven months. The Atlanta, Georgia group is now taking a larger percentage of the calls. We are getting an extensive amount of data regarding individual client calling patterns. This will enable us to eventually charge each client an amount that covers the amount of support actually being used. As of November 20, 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

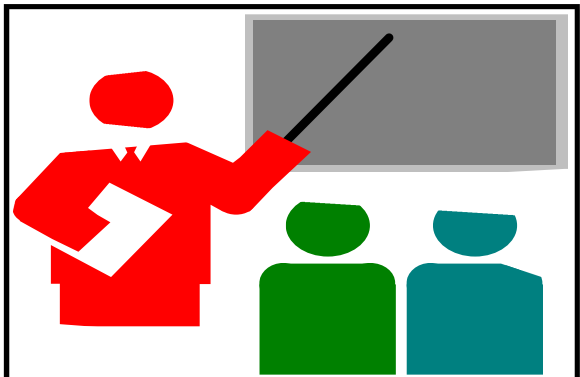
These numbers are lower than reported several months ago. The clients using significantly more support than the average are now receiving a notice of a change in their rate for the next billing period. We are tracking the usage over a 90 day "window" so that a major problem in one month will not change the monthly rate. In general, after receiving a notice, if the support usage drops to the average level, the increase will be delayed one month. The notice continues to apply in the event that support usage increases. •

## 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**

### *Stratford Newsletter*

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