STRATFORD

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inside this issue

Stratford has more than 3,100 licensed users

You can find Stratford's Internet server at this address:

stratford notes

We get asked occasionally what we are planning for the future as far as software development. The answer is simple in the near term. It is more involved for the long term. In the short term, we see EDI as the most important area for us to stay up with the latest requirements. Currently we meet or exceed the requirements for billing when Medicare installs its MTS in 1999. Of course, there will be many refinements (changes) in the requirements between now and then. We make significant changes to our software almost daily. We are constantly testing with new payers and making changes that are required by payers that now accept our formats. This will continue indefinitely. We have all the tools and resources in place to be certain that our software always meets the requirements for EDI. It is our specialty.

We believe that an important area for future software development is "outcomes reporting". In 1999 all hospitals will be required to collect and submit clinical outcomes data in order to be accredited by the Joint Commission on Accreditation of Healthcare Organizations. The commission accredits 80% of the nation's hospitals, integrated delivery systems, long-term care facilities, managed care plans and other healthcare organizations.

Physicians and other healthcare providers will be required to do something similar. In order to do this, they will need some way to create a computerized patient record (CPR).

In order to bill a patient's insurance carrier our users are now collecting a large amount of clinical data, even though they may not know it. They have the age, diagnosis, procedure, date, etc. Now they need the information in the chart coded and linked.

This is a difficult area for software vendors because the market is not yet developed. It is extremely expensive to develop a product like this. Our customers cannot pay much more.

The challenge is to integrate the product with the billing system and leverage the information that is already being collected so that it can be priced low. This is exactly what we are doing at this time. •

Training Classes

SHS Software Basic Training

In the Stratford Classroom:

Every Friday	9:30 AM -12:00 PM	$165
	1:30 PM - 4:00 PM	$165
By Appointment		$165

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.....

Medicare is scanning claims instead of entering them manually. This may result in the claim being denied because the wrong diagnosis or CPT code is entered into the computer. The solution is very simple. The provider should begin transmitting the claim electronically. When the claim is transmitted, it goes into Medicare's computer exactly like it was on the provider's computer. There are no problems related to marks on the paper claim, bad printing, folding and mailing.

We have been notified that the Virginia Medicare Bulletin Board System will go down for maintenance every day at 12:00 noon to approximately 12:30PM. Notice of this was sent March 20, 1997. If this affects you, please plan your transmissions at a different time. Please do not call Stratford as there is nothing that we can do. •

MEDICARE RECORD KEEPING REQUIREMENTS

When you bill electronically, you are required to keep the original source documentation for at least 6 years and 3 months. If you purge information from your computer, you should have paper reports available for review. Since disk space is so inexpensive now, we recommend keeping the financial data at least 7 years. This is also convenient if you want to run some special reports in the future. •

MEDICARE OBSERVATION CODES

Only the physician who admits the patient to hospital observation, and is responsible for the patient during the hospital stay in observation, may bill the hospital observation codes (99218-99220). If the patient is in observation more than one day, then the last day should be billed with the discharge day code: 99238. If the patient is admitted to the hospital (as an inpatient) before the end of the first day of observation, bill an initial hospital visit instead of an observation care code.

All other physicians who see the patient while he or she is in observation must bill the office and other outpatient service codes or outpatient consultation codes, as appropriate. •

MEDICARE PAYMENT FOR AMBULANCE TRIPS

Ambulance trips are a benefit of Medicare if documented properly. If there is a return trip, it must be billed on the same claim as the outgoing trip. •

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

AUTO-REBILL PROGRAM

We occasionally receive a request from a user who wants the software to automatically re-bill the insurance carrier if a payment has not been received within X number of days. This sounds like a good idea: if they don't send you a notice, just send them a new claim. This may not be appropriate.

In a newsletter a few years ago, we quoted an article in a Blue Shield newsletter about how duplicate claims can delay payment.

In a HCFA bulletin dated March/April 1997 there is an article in the "General EMC Information" section. The article is titled "Understanding the four types of duplicate checks and notification". The article describes how claims are checked at 72 hours and again at 30 days.

Currently about six percent of all claims filed in Florida are denied as duplicate claims. HCFA funds its Medicare contractors $1.36 per claim. Florida processes over 50 million claims annually, this costs the program more than $4.5 million in duplicate claims alone. This is just one state!

Providers who routinely send duplicate claims (re-billing) are considered to be abusers. The top 250 abusers are notified by mail each month. The contractor works with the Medicare Fraud Branch, since this can be considered a form of program abuse, to educate the providers about the alternatives to duplicate filing.

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

"It is not appropriate to automatically refile claims to Medicare Part B without first obtaining the status of the original claim." This is a quote from the HCFA document. Specifically, they state: "for those who have automatic re-filing of claims capabilities loaded in their software, the capability should be quickly eliminated. It is not appropriate to use an automatic re-filing system as an alternative to bookkeeping and determining claim status."

In these cases, the provider is told to "contact your electronic claims submission software support vendor immediately."

Considering the cost for duplicate claims to the Medicare program, you can be sure that the Medicare contractor will be "certainly taking much more aggressive efforts" (quoted). In view of this, we do not believe that an automatic re-billing "module" is appropriate. We do not want to put anything in our software that could contribute to one of our users getting into trouble with the government.

All private carriers have the same problem. Automatic re-billing probably will result in slower or no payment, anyway. •

SOFTWARE SUPPORT NOTES

1. Faxed requests for support get Priority Service.

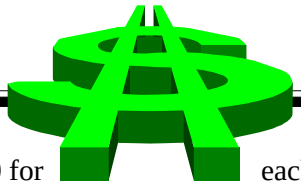
2. If you send a fax with a description of the problem, your call is given priority over other faxes.

3. Do not call more than one time. The second call places your first call at the bottom of our callback list.

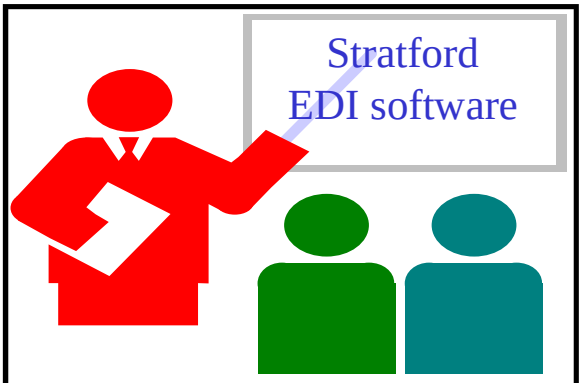
We can receive hundreds of calls in the first few hours each day. It usually is not possible for us to have a technical support person waiting to take your call. If you fax a thorough description of your problem, we can review it and have a solution for you when we call. This is much more efficient than having to call to find out what the problem is. It can also save you one or more callbacks and lower your support fee.

At this time we can deliver support by email. If you check your email each day, you may find this to be easier than the fax. This is not very good support if you need a quick answer. We do not get very many support email messages so we only check the mail two or three times each day. As the volume increases, we will put more resources into email.

We are interested in hearing from people who would like to receive support by email. •



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

Internet resources:

Did you ever have a question about how to fill out a HCFA 1500 form? Well HCFA has posted the manual at this site:
`http://www.hcfa.gov/medicare/edi/h1500.txt`

The UB92 manual is located at this same site.

The HCFA web site has been improved so that it is an excellent resource. There is a search function. For example, if you are interested in HCFA's managed care requirements, you could go to:
`http://www.hcfa.gov/`
and search for HEDIS (Health Plan Employer Data and Information Set) This information is mandated in Medicare risk and cost contracts. Many

Stratford Newsletter

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