

Surgical Implants:

CONTRACTS, PROCEDURES AND REIMBURSEMENT

SurgiStrategies spoke with John Seitz, CEO, Ambulatory Surgical Group and Melody Mena, vice president clinical services, Surgical Investors and Advisors, LLC, two surgical center experts regarding surgical implants. Both Seitz and Mena have and still use Access MediQuip as a third party implantable device provider.



Q What is a common mistake ASCs make regarding reimbursement for surgical implant procedures?

John Seitz, CEO, Ambulatory Surgical Group:

- (a) Not tracking an invoice to the specific procedure and patient
- (b) Not charging properly (full price, shipping, handling)
- (c) Not reading a contract carefully for how to submit and the time requirement.

Melody Mena, vice president clinical services, Surgical Investors and Advisors, LLC:

A common mistake regarding implant reimbursement for surgical implant procedures is not providing accurate information to coders and billers with specific reimbursement language specific to the ASC's contracts. For example, implants may be considered "bundled" into the facility payment, reimbursed at a "cost plus" or a percentage of billed charges, depending on the payor. In each situation, the administration process for billing the claim is costly, time consuming and highly manual. This creates risk for incorrectly billing for the procedure, resulting in significant delay of payment.

>>>

Q What are the main components every implant contract should have?

Seitz: Price, term, time and procedure.

Mena: Regardless of payment methodology, the ASC should spend significant time clearly delineating and understanding language within the contract itself related to implants. This includes understanding any “threshold” language, requirements to provide invoices, or other languages that address transparency related to fee schedules and notifications of changes in billed charges.

Q What’s the best way for providers and payors to stay “ahead of the curve” on new developments? How do you make sure such cases are properly—and promptly—reimbursed?

THE ASC SHOULD SPEND TIME DURING NEGOTIATIONS TO EDUCATE PAYORS RELATED TO TECHNOLOGIES AND VARIANCES.

Seitz: Regular discussions with physicians are key — especially after major conferences. Recognize when a new procedure or a new implant is being performed at your center.

Mena: There is significant misunderstanding surrounding why charges related to implants vary from one similar case to the next. The ASC should spend time during negotiations to educate payors related to technologies and variances. It is important to recognize that rising costs related to new technologies is a problem that both payors and providers are grappling with – and it is a problem we must both work together to control. From the provider aspect, recognizing that profits related to the case should not be realized via implant charges. Outsourcing to a third party alleviates cash-flow issues, shifts new procedures into lower-cost environments and streamlines billing processes. From a payor aspect, shifting to the use of a third party provides a mechanism to leverage purchasing power via greater volume usage, thus controlling large variations in charges for implants.

Access MediQuip reduces the cost of implantable device surgeries, removes financial barriers that facilitate migration of procedures to optimal site-of-service, and delivers predictability and transparency for payors. ©

Providing Custom Solutions



Consulting, Outsourced Services or Management

- **Administrative Services**
 - Leadership
 - Mergers & acquisitions
 - Feasibility studies
- **Financial Services**
 - Coding
 - Billing & collecting
 - Managed care contracting
 - Accounting
- **Clinical/Operational Services**
 - Assess flow & function of facility
 - Compliance, accreditation, licensure
 - Quality assurance
 - Materials management

Contact us today and put your mind at ease.

605.335.4207

smpsdc.com