Otolaryngology Trainees Consistently Lack Training on Billing/Coding, Underbill At Significant Potential Cost

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Abstract

Educational Objective: At the end of the presentation, participants will be familiar with billing and coding patterns and knowledge in residents and potential areas for improvement.
Objective: Otolaryngology training focuses on acquisition on surgical and clinical skill. Formal education on practice management, including billing and coding knowledge is often lacking. In order to effectively remedy this, knowledge gaps must first be assessed. We sought to characterize billing and coding knowledge in residents as well as estimate the amount of inappropriately gained or lost revenue due to current coding patterns.
Study Design: Cohort study of otolaryngology residents
Methods: Web based anonymous survey of otolaryngology residents.
Results: 28 residents responded. Overall, coding of clinical scenarios was highly variable. There was no statistically significant difference between junior and senior residents. On average, residents underbilled 9 clinical scenarios for a mean loss of $526. If these billing trends continued over the course of a year, this would translate into a potential inappropriate loss of $194,327 over the course of a year in clinical practice. Interns and fellows fared even worse, with an average loss of $779 and $676 or $287,797 and $249,744. Overall, formal training is lacking with 89% of surveyed residents receiving between 0-2 hrs. Duration of training did not impact performance. Participants experienced the most difficulty in coding that involved modifiers, duration of office visit, or complexity of management determinations.
Conclusion: Billing and coding knowledge is variable among residents and formal education is lacking. Trainees at all levels are consistently underbilling with potential impacts for the financial viability of their future practices. Targeted and effective educations programs and tools for residents are needed.

Introduction

Exposure to business and practice management during residency is typically limited. The demands of residency are many; the acquisition of surgical techniques and high level clinical decision making skills take precedence over business and practice management. Nonetheless, these latter skills are also important for real world success and having an economically viable practice.

This survey sought to ascertain the amount of formal education residents are receiving regarding billing/coding, determine resources available to residents, and evaluate current resident billing practices.

Methods and Materials

- Anonymous web-based survey of current otolaryngology residents
- 7 demographic questions
- 10 questions regarding billing/coding education, resources, and comfort level
- 15 scenarios and/or questions asking what the resident would bill in that situation
- Appropriate level of service for patient encounters verified by department biller/coder as well as Intelicode

Sample Questions

New patient referred for evaluation of sinus disease. Documentation supports a level 3 visit. Upon evaluation, review of scans, and nasal endoscopy performed today, patient's complaints are more consistent with tension headache. The patient is very upset with headache diagnosis. Total time spent with the patient in 60 minutes, with over half of this time (>30 minutes) spent in face-to-face counseling. This should be billed as (select all that apply)

- New level 3 visit (99203)
- New level 4 visit (99204)
- New level 5 visit (99205)
- 25 modifier for separately identifiable evaluation and management service by same physician on same day of procedure
- Diagnostic endoscopy (31231)

Results

29 residents completed our survey. The overall results show a lack of formal billing/coding training during residency, low levels of resident confidence in their knowledge base and ability to bill appropriately. On average, residents underbilled 9 clinical scenarios for a mean loss of $526. If these patterns continued over the course of a year, this could translate into an in appropriate loss of nearly $200,000. Overall, the amount of time dedicated to billing/coding and business during residency is quite low, with most residents receiving < 2 hours of dedicated training.

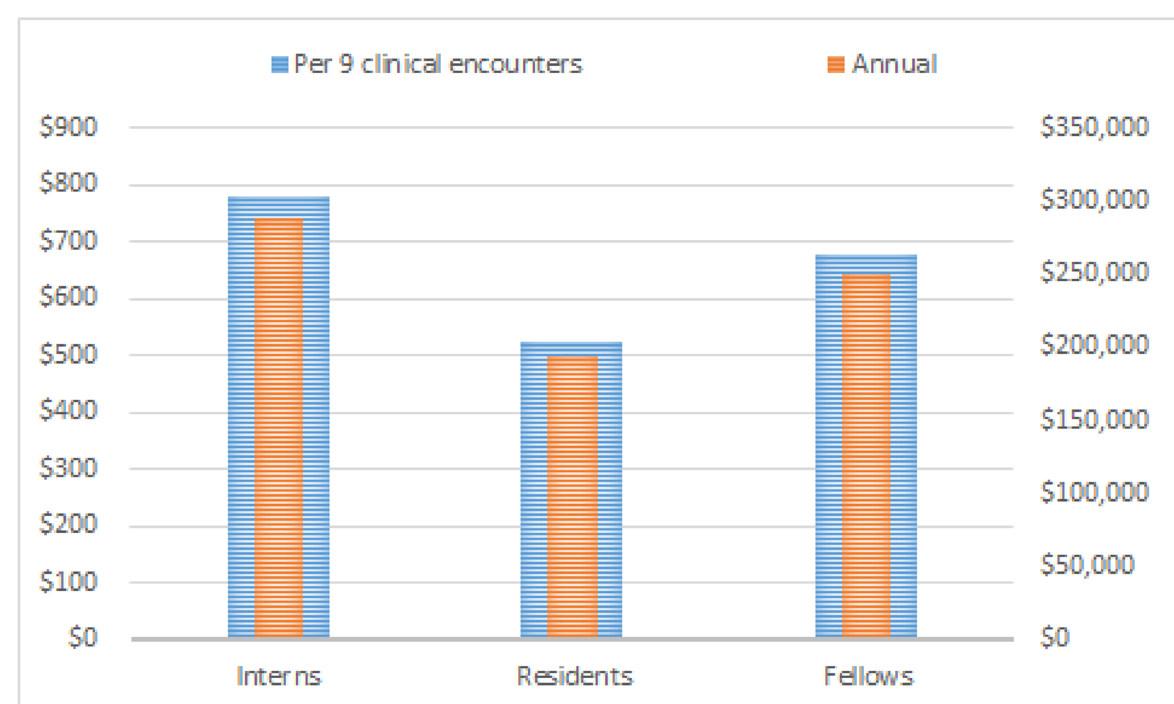
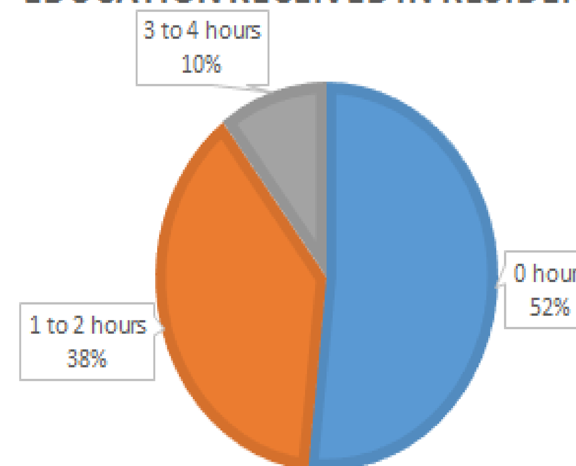
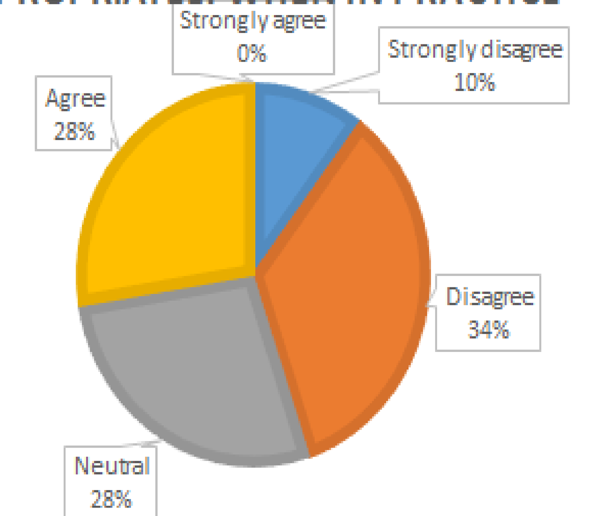


Figure 1. Underbilling patterns among interns, residents, and fellows. Blue bars are inappropriate losses incurred during 9 clinical encounters. Orange bars represent annual losses if these billing patterns were to continue over the course of a year.





Discussion

The bulk of otolaryngology residency training focused on the acquisition of medical information and surgical skills, leaving little time for practice management and billing/coding. While some find discussing the financial aspects of practice unsavory, it is important that residents are familiar with the basics so that they remain financially viable in their practices. For this study, we focused on outpatient billing. Given that, on average, otolaryngologists see 3325 office visits per year (72% established patients, 28% new patients) it is important to know how to differentiate levels of service and appropriately bill these encounters.

We found that there is a paucity of dedicated billing/coding education. 2/3 of residents receive some form of dedicated training. However, in the majority of cases, this training was limited to 1-2 hours. With the increasing complexity of medical coding and billing, this amount is insufficient to instill resident confidence in their billing practices and to ensure that they bill appropriately.

Based on how residents billed the nine clinical scenarios presented to them in our study, there is the potential inappropriate loss of nearly $200,000 of billable charges overall. It is interesting to note that fellows fared worse then residents, underbilling at a higher rate which could translate into nearly $250,000 of lost charges over the course of a year.

Conclusions

Billing and coding knowledge is variable among residents with interns and fellows underbilling at highter rates, on average, than residents. This underbilling could result in significant losses of potential revenue out in practice with detrimental effects on professional and economic viability. Additionally, overcoding carries with it substantial risk of financial and legal penalties. Given the overall lack of formal education for residents on this topic, targeted and effective education programs and tools for residents are needed.

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