FRAUD, WASTE & ABUSE SUMMIT

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Unethical Billing & Coding

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"Partnership towards curbing fraud, waste and abuse"

#fwasummit

Content

- Context
- Rationale for coding
- Relationship between coding and healthcare funding
- Types of coding systems
- Coding in the context of FWA with examples
- Recommendations/Thoughts

Context

- Unethical billing is a worldwide problem and poses a significant threat to the future and sustainability of private healthcare
- South African figures unavailable but could amount to billions of Rands per year
- FWA contributes significantly to escalating cost of private healthcare
- Collaborative efforts is required from all stakeholders to collect and analyze big data to curb FWA in the industry.

Why Clinical Coding?

Prescribed Minimum Benefits & Coding

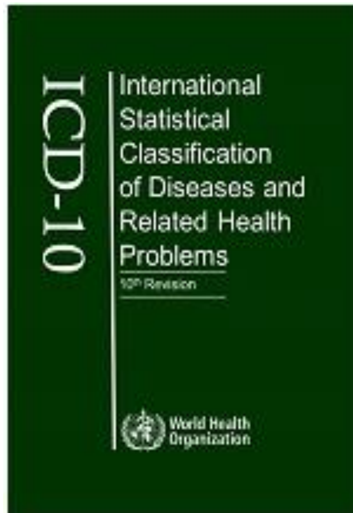
- Prescribed Minimum Benefits (PMBs) are first identified on diagnostic coding
- ICD-10 coding must therefore be correct and accurate
- Primary and secondary ICD-10 codes on each line determine PMBs
- Funding of PMB benefits are triggered upon receipt of the correct ICD-10 code by funders
- Diagnosis codes ideally may not be manipulated (Upcoded) to make a condition a PMB or to increase benefits for example Bipolar Mood Disorder instead of Unipolar Mood Disorder

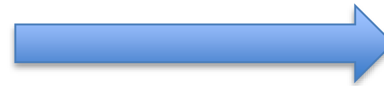
Current Coding Systems

- **Private Sector**
  - National Reference Price List (NRPL) 2006
  - CPT for South Africa (CCSA)
  - Nappi codes for medicine
  - ATC/DDD codes for medicine (not for claim purposes)
- **Public Sector**
  - Uniform Patient Fee Schedule (UPFS) for procedures
  - National Stock Number (NSN) for medicine

Diagnostic Coding in South Africa

ICD Causes of death classified internationally since 1890s (ICD)
ICD extended to morbidity and external causes in 1948
ICD-10 1990, ICD-11 2018





Diagnostic Coding

- Current national standard for diagnosis - International Classification of Diseases & Related Health Problems, 10th Revision (ICD-10)
- MRC : WHO Collaboration Centre indicated ICD-11 will be implemented in 2020 following adoption by WHO/WHA later in may 2019

Possible Fraud and Abuse

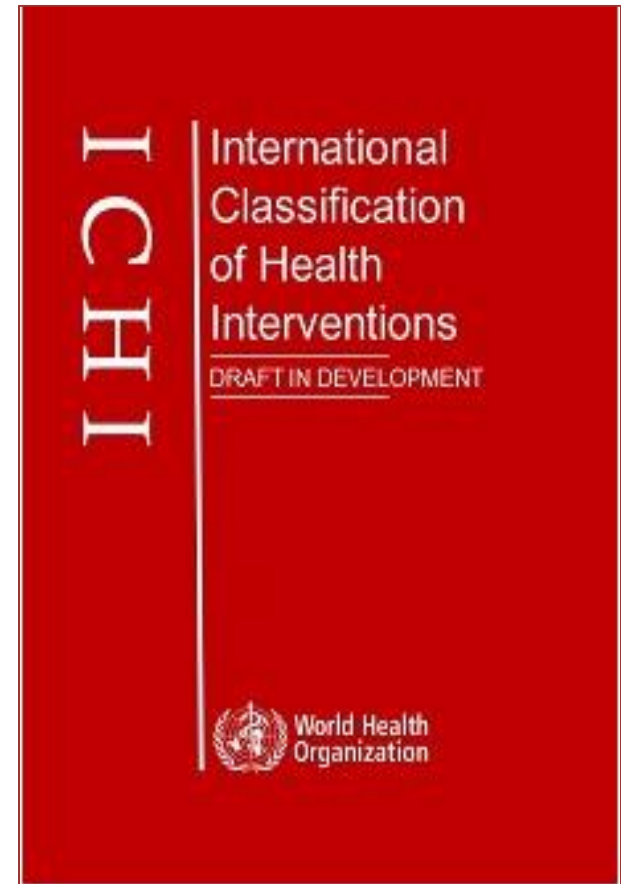
- Diagnosis codes are manipulated (upcoded) to make a condition a PMB or to expand benefits
- Example: Bipolar Mood Disorder is coded instead of Unipolar Mood Disorder as the PMB regulations allow for medicines on the Bipolar Mood Disorder algorithm

Procedure Coding in South Africa

ICHI Original International Classification of Procedures in Medicine 1978.

The Beta-2 was released in October 2018. Finalisation and adoption Is proposed for the WHA meeting Later this year.

Country specific details would need to be built in.



Justification for Coding System Update

- Current coding system (NRPL 2006) is inadequate
- Hundreds of procedures do not have tariff codes – create chaos with regards to claims
- Different systems used in public and private industry
- Resulted in certain discipline groups (Professional Societies) drafting their own coding systems unilaterally. Claims submitted on these codes are sometimes rejected by medical schemes
- PMB benefits are sometimes not paid correctly by Schemes at the detriment of members.

Possible Fraud and Abuse

- Unbundling of services take place
  - Code 0619 - Shoulder: Partial replacement charged – this code encompass all aspects of the joint replacement procedure
  - Extra codes charged:
  - Code 0499 - Grafts to cysts: Large bones
  - 0592 - Synovectomy: Large joint
  - 0614 - Arthroplasty: Debridement large joints

Financial Incentive:

- Submission of dishonest and inaccurate claims to exaggerate the complexity and quantity of billed services

- Split-billing:

When a medical supplier provides two accounts for the same service.

One is sent to the medical scheme, listing the medical scheme tariff amount, and another to the member or patient.

The member will pay the supplier what they think is a co-payment, but the amount paid does not appear on the claim sent to the medical aid by the provider.

- Healthcare practitioners have an obligation to:

1. Inform the patient about the cost of services before rendering the services. It should be noted that this has nothing to do with the benefit option the patient has purchased with their medical aid or the scale of benefits of the medical aid in relation to the service to be provided.

2. Furnish their patients with detailed accounts for the services rendered as prescribed in terms of Regulation 5 of the Medical Schemes Act.

Fraud and abuse on coding by schemes

- Schemes may use issues around coding to deny its funding obligation to members
- The regulatory gaps around coding may provider a opportunity for abuse by errant schemes

Modifier Codes in Contention

- *0011 Emergency procedures* – Not always claimed for true medical emergencies but convenience of doctor's schedule
- *0018 Surgical modifier for persons with a BMI of 35>* - Medical schemes exclude funding of the modifier often as part of not funding obesity
- *0019 Surgery on neonates (up to and including 28 days after birth) and low birth weight infants (less than 2500g) under general anaesthesia (excluding circumcision)* – legal process in place as this modifier is being charged for medical cases as per SAMA Doctor's Billing Manual

Some thoughts on way forward

- Multi-stakeholder collaboration urgently needed
- The establishment of a Coding regulatory forum/task team
- Updating of codes and adjudication of complaints around coding issues
- Continuous training on coding and professional body on clinical coding
- Incorporation of coding into curricula of healthcare professionals
- Country wide move towards ICHI and ICD - 11

- Thank you