EMERGING TRENDS AND ISSUES
THE FUNDAMENTALS OF MEDICAL CODING:
THE FIRST STEPS TO COMBATING HEALTH CARE FRAUD

More and more individuals are becoming interested in battling health care fraud. However, it is easier to transition into these roles professionally with the basic foundation of the most common billing schemes and a medical coding background. This session will cover facility, ancillary, and physician billing practices, as well as demonstrate the value of medical coding knowledge and how it will play a significant part in analyzing data and questioning potential witnesses.

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Tamara May, president of T.R. Turner & Associates, Inc., holds an M.B.A. from Old Dominion University, has acquired the certifications of PMP (Project Management Professional), Six Sigma, and CFE (Certified Fraud Examiner). She brings over 15 years of professional experience in the areas of information technology, fraud, training, and health care. Ms. May has held numerous leadership positions for which she has received many Host Leadership awards, served on a variety of fraud task force and compliance committees, and managed several audit departments.

T.R. Turner and Associates, Inc., also provides customized training for law enforcement, enterprise-wide organizations, and small businesses.

The staff at T. R. Turner & Associates, Inc., brings insight and creativeness to enhance their customers’ experience. We are available to fully serve those companies that wish to improve their processes and develop leaders within their organization in hopes that they will fully realize that what truly defines the foundation of a business is its complete environment.
Overview
As more individuals become covered under healthcare as a result of the Affordable Care Act (ACA), there will need to be an increased focus regarding healthcare fraud. The voluminous amount of individuals who are expected to become eligible or be covered under a health insurance policy will surely play a large part in the potential escalation of fraud. One of the most critical knowledge areas as we become more versed in health care fraud is a basic understanding of Medical Coding.

Coding
- HCPCS Codes
  - Level 1 CPT Codes are the various services that a patient has received from a medical practitioner for medical, surgical, or diagnostic services.
  - Level 2 Codes are those codes billed by medical suppliers other than practitioners for services such as supplies or durable medical equipment.
- Diagnosis Codes
  - ICD 9 codes are alphanumeric digits assigned to identify each diagnosis or a description of a particular symptom.
  - ICD 10 codes are more granular.
- Modifiers indicate special circumstances that typically have impacted the performed service.
- Misc. Codes are used by a supplier when there is no existing national code that appropriately describes the item or service being billed.
- Rev Codes are three-digit codes used by hospitals to indicate where the actual service was performed in the hospital.
- NDC Codes (National Drug Codes) are found in the National Drug Code Directory. The FDA (Food and Drug Administration) requires prescription drug
manufacturers to assign unique identifiers for each drug.

- Medical Terminology and Anatomy

**Reimbursement Methodologies**

- APDRG is a combination of medical billing codes developed by Medicare to group patients based on their diagnosis, treatment, age, and other criteria.
- APR DRG are grouper payment methodologies for inpatient services.
- EAPGS are grouper payment methodologies for outpatient services.
- MSDRG is a combination of medical billing codes developed by Medicare to group patients based on their diagnosis, treatment, age, and other criteria.
- FFS—reimbursed per claim line item
- Case Rates—payment for an entire episode of care
- APC—similar to DRGs but for outpatient services
- Percent of charges—reimbursed on a percentage of total charges
- Difference between hospital and physician billing
- Common fraud schemes

**Future Reference**

- [www.aapc.com](http://www.aapc.com)
- [www.ahima.org/coding](http://www.ahima.org/coding)
- [www.ama-assn.org](http://www.ama-assn.org)