



Medical Record Documentation

THE INS AND OUTS OF DOCUMENTATION

Medical record documentation is required to record pertinent facts, findings, and observations about an individual's health history, including past and present illnesses, examinations, tests, treatments, and outcomes. Not only is this important in providing a high quality of care to patients, but it also prevents potential problems with payers.

Because payers have a contractual obligation to enrollees, they require reasonable documentation that services are consistent with the insurance coverage provided and may need to validate such things as the site of service, medical necessity, and accurate reporting of the services provided.

CMS set forth the following principles for medical record documentation:

1. The medical record should be complete and legible.
2. The documentation of each patient encounter should include:
 - Reason for the encounter and relevant history, physical examination findings, and prior diagnostic test results;
 - Assessment, clinical impression or diagnosis;
 - Plan for care; and
 - Date and legible identity of the observer.
3. If not documented, the rationale for ordering diagnostic and other ancillary services should be easily inferred.
4. Past and present diagnoses should be accessible to the treating and/or consulting physician.
5. Appropriate health risk factors should be identified.
6. The patient's progress, response to and changes in treatment, and revision of diagnosis should be documented.
7. The CPT and ICD-9-CM codes reported on the health insurance claim form or billing statement should be supported by the documentation in the medical record.

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Payor Updates

HPN: CCN TERMINATION

The Facility Contract and Professional Care Provider Agreement between MedNet USA, Inc. d/b/a CCN and Health Partners Network will be terminated effective January 1, 2007. It is our understanding that Coventry Health Care, Inc. (CCN's parent company) is consolidating the CCN network under the First Health Network name, also effective January 1, 2007. Coventry has stated that all CCN member identification cards will be changed to the "First Health Network" logo upon each member's renewal date throughout the calendar year 2007. Coventry will apply the HPN: First Health agreement to CCN's business. HPN and Coventry plan to create one master contract to include all product lines.

UnitedHealthcare

"NEW" PENALTY FOR OUT OF NETWORK STATUS

UnitedHealthcare has implemented a penalty for those providers deciding not to participate effective July, 1, 2006. This means that UnitedHealthCare will mail payments directly to its members and not directly to providers. This process may require the provider to chase payments for services rendered. An alternative to this change may be that providers can bill the patient at the time of service and collect or make financial arrangements while the patient is still in the provider's office.

MULTIPLAN TO ACQUIRE PHCS

At the end of August, MultiPlan, Inc. and Private Healthcare Systems, Inc. (PHCS) announced that Multiplan will acquire PHCS. The transaction is expected to close early to mid fourth quarter 2006. MultiPlan has expressed its intent to continue to operate two brands—with PHCS as the national primary PPO network and with MultiPlan serving as a secondary network and specialty transplant network. Currently, HPN has agreements with both MultiPlan and PHCS and will provide more information as the merger takes place.

Medicare

PROJECTED 2007 MEDICARE PHYSICIAN PAYMENT CHANGES

A lot of information is floating around regarding the proposed Medicare reimbursement decrease for physicians which is set to take effect January 1, 2007. We wanted to convey our understanding from the recent articles we have read. The Centers for Medicare and Medicaid (CMS) recently announced that the predicted reduction to physician's overall reimbursement is now approximately 5.1%. Additional decreases may be seen because a special congressional provision which boosted the work RVU's (and thereby payments) for parts of the country beginning in 2004 ends this January. There is a barrage of political activity trying to prevent these changes from being enacted and so it is unclear exactly what Medicare reimbursement changes will actually take effect; however this continues to be a hot topic that we will closely monitor.

AVOID MEDICARE ADVANTAGE HASSLES

There are some common hassles that have arisen with the numerous Medicare coverage options available today. It is not uncommon for patients who have enrolled in a Medicare Advantage Plan (Part C) to think that they have purchased a stand-alone Part D prescription drug coverage (which would allow them to stay in Part B). Because patients may not understand what they have purchased, they may not know which cards to bring in to their appointments, causing confusion over the patient's benefit plan. If co-pays are not collected up front, you could have missed an opportunity to secure the patient's Part C co-pay for the office visit causing a denial and subsequently chasing the patient for payment.

It is important to ask patients before a visit if they have signed up for a new plan or received a new card in the mail. Additionally, it may help to make a list of every Medicare Advantage (MA) plan available in the area or to create a visual guide with each plan's card as a helpful way to help the patient determine what plan they have purchased. You can obtain a list of MA plans in your area by going to the CMS website and entering your zip code at www.medicare.gov/MPDPF/Public/Include/DataSection/Questions/Options.asp. Then under option B, check "Health benefits and drug coverage" and click "Search Medicare Advantage Plans."

Coventry Changes

Coventry is the parent company of Carelink, HealthAmerica/HealthAssurance, First Health, Southern Health, CCN, and a number of other managed care organizations. HPN currently has payer agreements with three of these (Carelink - First Health – CCN) and we have long wanted to do whatever could be done to reduce the confusion of “what payer agreement applies to what business”.

Some changes are now underway that should help a bit. The simplest is that HPN and Coventry have mutually agreed to terminate the HPN:CCN agreement as of year end 2006. This should be fairly straightforward as Coventry is also phasing out, they use the term “retiring”, the CCN name as of year end, and CCN clients are being moved to the First Health network as of January 1, 2007. HPN’s First Health terms are expected to apply to business with dates of service on and after January 1st.













Carelink and HealthAmerica/HealthAssurance have long been the main Coventry business units close to north central West Virginia. HealthAmerica/HealthAssurance are Coventry’s operation in western Pennsylvania. HPN providers in Monongalia and Preston counties probably see these cards fairly often, but their prevalence drops off rapidly as you move south. In any event, HPN’s Carelink agreement terms apply now and will continue to apply to both Carelink and HealthAmerica/HealthAssurance business.

First Health is going through the largest changes. First Health has been shifting many of its national accounts to First Health Direct. These tend to be large employers where First Health is not just a PPO, but is also providing other important services such as claims payment or utilization management. These accounts are being converted to Coventry Health Care National Network, a new name. Although this may change at some future point, these accounts will be subject to the terms of the HPN:First Health agreement.

First Health accounts where First Health provides only the PPO network will be kept with the First Health Network designation. The HPN:First Health agreement terms apply.

Coventry has put together the product logo change chart (see below) to summarize what this will look like to your registration staff. For most of you, these changes should be straightforward, with 2007 CCN business and the new Coventry Health Care National Network business both subject to the HPN:First Health agreement terms.

Please give us a call if you have any questions. We have also invited Carelink (I should probably say Coventry) to speak at our next set of physician and office manager meetings now being scheduled.

Old Logo....		New Logo....
	No changes as a result of network consolidation for	
	No changes as a result of network consolidation for HealthAmerica/	
	*This name is being retired effective 12-31-06. Clients are moving to the Coventry Health Care National Net-	
	*The First Health Network will	
	*SouthCare and Healthcare Preferred will become the First	
	*CCN is being retired as of 12-31-06. Clients are being moved to the First Health Network effective 1-1-	

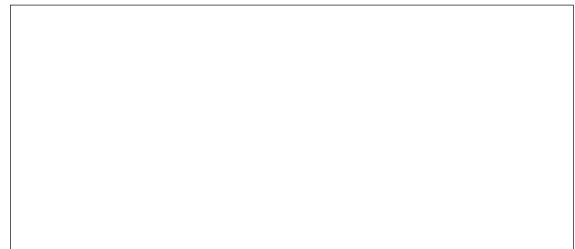
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Making Managed Care Work

*Visit the HPN website at
hpns.net*



Managed Care Update Meetings

HPN has organized a Managed Care update meeting at four separate locations in October.

*October 11th — Parkersburg Area
Auditorium Area 1
Camden Clark Hospital
7:30am — 11:30am*

*October 12th — Martinsburg Area
8th Floor Classroom
City Hospital
2:00pm—5:00pm*

*October 13th — North Central Area
WVHTC Foundation Conference Room — Fairmont
9:00am — 1:00pm*

*West Virginia University Hospitals — Morgantown
NW Tower Conference Room 3A
2:00pm — 5:00pm*

HPN will provide information and encourage input and feedback on the following topics:

Humana/Choice Care Medicare PPO
Coventry/Carelink Product Changes
HPN Contracting Update
HPN Governance Tune Up
Payment Challenges

Please plan to join us for this update and discussion. **If you would like to attend, please RSVP to HPN at 1-877-534-6185.**