

COA REPORT



A publication of the California Orthopaedic Association

Fall, 2016

In this issue

AAOS Now, May, 2016

PA and NP Billing: Are You Doing it Correctly?

The effective use of Physician Assistants (PAs) and Nurse Practitioners (NPs) in an orthopaedic practice requires an understanding of key billing rules that apply to nonphysician providers (NPPS). Compare your practice's internal procedures to the following common questions and answers. The guidelines referenced are for Medicare claims; other payors may have different rules. The Medicare scenarios and guidelines described in this article apply the same way to both PAs and NPs.[Read more.](#)

California Health Care Almanac

Many Routes to the Top:

Efforts to Improve Care Quality, Coordination, and Costs Through Provider Collaborations

In response to the federal Patient Protection and Affordable Care Act of 2010 (ACA) and a combination of broader market forces, hospitals, physicians, and other health care providers around the country have been increasingly collaborating among themselves and with public and private payers on efforts to reform health care delivery systems and payment methods. While their structures vary widely, most of these initiatives share the overarching aims of slowing the growth of health care spending and improving the coordination and quality of patient care.

California providers have been particularly active in developing collaborations with other providers and with commercial health plans. Many of these provider partnerships have been driven in part by key market factors characteristic of many California communities—most notably the presence of large providers experienced in managing financial risk for patient care, as well as competitive pressure on both insurers and providers from the growing dominance of Kaiser Permanente's integrated delivery system and health plan.

The California Health Care Foundation's longitudinal Regional Markets Study of seven California health care markets provided a unique opportunity to track the development of collaborative relationships that hospital and physician organizations have formed in the state over the past several years. This paper describes major types of provider collaboration that have proliferated in California since 2013, highlights leading examples from the seven regions studied, discusses providers' key goals and strategies, and explores how market conditions spurred each major type of partnership and influenced their structure. The analysis also considers some of the key effects that these collaborations might have on cost, quality, and access to care in local health care markets. The intent of the paper is not to provide an exhaustive catalog of all collaborations undertaken by providers; instead, the focus is on those initiatives highlighted by hospital and physicians executives, as well as market observers, as particularly important to the overall strategies and objectives of provider organizations. The focus of this paper is on collaborations formed by mainstream health care providers—those that serve large populations of commercial and Medicare patients. [Read more.](#)

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AJRR and CJRR Merge

The profession of orthopaedics is constantly moving forward. Research is conducted on an ongoing basis to reveal findings like comorbidities that can affect joint replacement revision rates or to determine expected medical device lifespans. With the aging of the Baby Boomers, more and more Americans are in need of a hip or knee replacement. This increase in surgical demand, combined with several federal quality initiative programs, calls for a Registry solution for orthopaedic surgeons and the patients they represent. The full integration of the California Joint Replacement Registry (CJRR) into the American Joint Replacement Registry (AJRR) will lead to the consolidation of both organizations onto one Registry platform, offering a comprehensive solution for all of its collective participants [Read more](#)

Letter from CJRR's Medical Director—James Huddleston, III, M.D.—CJRR 2016 Annual Report.....[Read report.](#)

CMS Grants IMQ Deeming Authority for Ambulatory Surgery Centers

After years of successfully accrediting a wide range of ambulatory surgery centers, the Institute for Medical Quality (IMQ) is now officially recognized by the Centers for Medicare and Medicaid Services (CMS) as a national accrediting organization for ASCs that participate in the Medicare or Medicaid programs. This means that facilities that are accredited with Medicare deemed status by IMQ will be eligible for reimbursement of facility fees from Medicare and Medi-Cal [Read more.](#)

Outcomes-Based Software Key to Harbor Health Systems Quick Rise in MPN Management

California Workers' Compensation law created medical provider networks (MPNs) in 2004. A few years later, Harbor Health Systems was already sitting on contracts with Kaiser Permanente, Sedgwick, and Sears. In 2016, Harbor Health took over the management of the State Compensation Insurance Fund MPN..... [Read more.](#)

Orthopaedic Coding

Diagnostic Imaging Changes

Wound Debridement vs. Active Wound Care Management

AMA CPT Assistant, October, 2016 [Read more.](#)

Lower Extremities (73501-73552)

AMA CPT Assistant, August, 2016 [Read more.](#)

Spinal Conditions and Scoliosis Evaluation

AMA CPT Assistant, September, 2016 [Read more.](#)

Medicare X Modifiers: Use or Not Use *The Orthopaedic Coding*

Coach—KarenZupko Associates.....[Read more.](#)

ICD-10

CMS confirms they are requiring the highest level of specificity for ICD-10 as of October 1, 2016. Surgeons will begin to see denials using codes like **M16.9 osteoarthritis of hip, unspecified** or **M06.9 rheumatoid arthritis, unspecified** beginning October 1. Laterality is a huge issue for the musculoskeletal chapter AND injury chapter and will need to be included in the documentation. If you are reporting anything from joint pain to an ankle fracture, laterality AND specific location are very important. Reporting unspecified osteoarthritis will not work.

People in the News

Raymond Meister, M.D. has been appointed Executive Medical Director for the California Division of Worker's Compensation where he served as associate medical director since 2014. Dr. Meister has also been a clinical professor at UC San Francisco and served as the public health medical officer at the California Department of Public Health.

Mark Vrahas, M.D. is named the chairman of the new orthopaedic department at Cedars-Sinai. Previously orthopaedic services were under the surgery department. Dr. Vrahas most recently served as vice chair for population health and OR operations at Boston-based Massachusetts General Hospital's orthopaedic department. He founded the Harvard Orthopaedic Trauma Initiative which aims to enhance collaboration among orthopaedic trauma services at Harvard-affiliated hospitals.

What happened to **periprosthetic fractures**? They are no longer located with mechanical complications (T84.0—) but have moved to a new category in the musculoskeletal chapter (M97.1). **Hallux valgus (acquired)** will no longer be issued to report a bunion as there is a new specific code where right and left will also need to be specified. To see all of the FAQ's about the end of the "grace period" go to www.cms.gov/Medicare/Coding/ICD10/Frequently-Asked-Questions.html

DaisyBill Releases Information on Average Days to Payment— Workers' Compensation Claims Administrators

In the first quarter of 2016, DaisyBill processed over 230,000 bills. In this article, they examined payment speeds for their top 20 claims administrators based on volume. DaisyBill's electronic billing software compiles data on every processed bill. They track payment amounts, payer activity, submission types, code counts, denial reasons, and more.

Listed by volume of processed bill through March 31, the statistics below reflect payment speed—the average number of business days between the electronic submission of a medical treatment bill and receipt of the explanation of review (EOR) - for the 20 top claims administrators.

3 Fastest Paying Claims Administrators

- 1.Liberty Mutual/The Zenith—6 average days (tie)
- 2.Broadspire/CNA Insurance/Keenan & Associates—9 average days (tie)
- 3.Gallagher Bassett/State Compensation Insurance Fund—10 average days (tie)

3 Slowest Paying Claims Administrators

- 1.Zurich Insurance North America—29 average days
- 2.AmTrust North America—22 average days
- 3.AIG Claims, Inc.—19 average days

Table for Average Days to Payment—1/1/2016—3/31/2016

Claims Administrator	Bills	Days to Payment
Sedgwick Claims Management Services	42,404	13
State Compensation Insurance Fund	30,559	10
Gallagher Bassett	26,295	10
Liberty Mutual Insurance	15,836	6
Zurich Insurance North America	14,894	29
CorVel	13,116	13
Travelers	12,378	12
York Risk Services Group	12,048	16
Broadspire	8,230	9
Tristar Risk Management (TPA)	7,465	17
ICW—Insurance Company of the West	7,175	13
ESIS, Inc.	6,643	16
AIG Claims, Inc.	6,365	19
The Hartford	6,260	14
The Zenith	4,737	6
Berkshire Hathaway Homestate Companies	4,296	11
Keenan & Associates	3,806	9
Employers Compensation Insurance Company	2,790	17
AmTrust North America	2,465	22
CNA Insurance	2,389	9

Election Day is Rapidly Approaching—Be sure to Vote !!!

Learn who is really behind the Propositions [Read more.](#)

Another busy Legislative Session in Sacramento

COA is successful in sponsoring legislation (AB 2503) to clarify that the Request for Authorization RFAs for Medical Treatment in Workers' Compensation should routinely be sent to the claims administrator. This eliminates administrative costs for physician practices and makes the claims administrator responsible for coordinating the review.

COA was also instrumental in including a requirement in SB 1160 that Utilization Review companies must be accredited by URAC. URAC is a certifying organization with credentialing standards that require a peer-to-peer review for UR appeals.

[Read more](#) for a summary of SB 1160.

[Read more](#) about the legislative issues affecting orthopaedic practice on which COA had an impact.

The Division of Workers' Compensation Updates the OMFS—Physician Services Fee Schedule—effective October 1, 2016. [Click here for an updated fee schedule.](#)

DWC develops an on-line training module on the Medical Treatment Utilization Schedule (MTUS) for physicians treating injured workers. To access the module: <http://www.dir.ca.gov/dwc/CaliforniaDWCCME.htm>



COA's 2017 Annual Meeting/QME Course C-Bones 2017 Annual Meeting

Resident Forum

May 18—21, 2017

OMNI La Costa Resort & Spa—North San Diego County

The hotel is already accepting reservations.

[Reserve your room today](#)

Welcome to COA's Newest Members

Michael T. Bogatch M.D.	San Jose
Michael Ciepiela M.D.	Rancho Cordova
Adnan Cutuk M.D.	San Diego
Brian Dierckman M.D.	Van Nuys
Gordon R. Engel M.D.	Novato
David W. Fabi M.D.	San Diego
Nic Gay M.D.	Fremont
Joshua Gluck M.D.	Ventura
Rachel Goldstein M.D.	Los Angeles
Daniel J. Holtzman M.D.	Redwood City
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Peter B. Wile M.D.	San Diego

2016 Membership Dues are now past due

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“Membership”
to pay your dues on-line.

Thanks in advance for your
support.

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1246 P Street

Sacramento, CA 95814

(Phone: 916-454-9884

Fax: 916-454-9882

E-mail: coa1@pacbell.net

Visit us on the web at

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