

Radiology Administrator's Compliance & Reimbursement Insider

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Avoid Hidden Risks of Cybermedicine

Physicians and patients have begun to see the Internet and other means of electronic communication as a fundamental way to communicate, analyze, and publicize health information. For example, many physician practices are developing Web sites to advertise and promote their practices. And a growing number of physicians are using e-mail, instead of the telephone, to communicate with their patients.

Physicians using cybermedicine—that is, using the Internet to promote physician practices, communicate with patients, or provide general health information—probably realize that they must comply with HIPAA, the federal law that governs the handling of patient information. But HIPAA compliance isn't the only area where physicians using cybermedicine could slip up. There are other important risks associated with cybermedicine that they aren't aware of, says New York health care attorney Jay Silverman. For example, many physicians don't realize that just electronic contact with a patient may be enough to raise the specter of malpractice suits or licensing issues.

We'll point out some of those non-HIPAA-related risks that you need to think about when deciding how to use the Internet in your practice. And we'll give you some solutions to help you minimize your risks when incorporating cybermedicine into your practice.

You May Inadvertently Establish Physician-Patient Relationship

You may think you need to have a face-to-face interaction with a patient to establish a physician-patient relationship and assume the risks that go with that relationship. But that's not correct, warns Silverman. Courts have recognized physician-patient relationships in which the only contact was by telephone, he explains. When ruling whether a physician-patient relationship exists, courts will consider such factors as:

- Whether the physician has examined the patient in the past;
- Whether the physician has access to the patient's medical records;
- Whether the physician was paid for or sought compensation for the interaction; and
- Whether there are other factors that indicate contact between the individual and the physician for the purpose of securing medical services or advice for the individual.

So an e-mail or other electronic relationship between you and another individual could be considered a physician-patient relationship—and that could lead to trouble. If the patient thinks you gave bad advice, he or she may sue you for malpractice. And, if you never examined the patient

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before doling out this advice, your malpractice insurer probably won't cover you. What's worse, you'll have a tough time defending yourself because you probably won't have good records of your association with the individual—or maybe have no records at all. And in many states if a therapeutic relationship is established in the absence of face-to-contact or live, real-time interaction of some sort, you could be guilty of professional misconduct.

Solution. You can limit the risk of establishing a physician-patient relationship with an individual whose only contact with you is via the Internet. Silverman makes the following suggestions:

- Provide only general medical education rather than specific medical advice when communicating online. That is, never provide specific medical advice unless: You're communicating with an established patient; you have full, current access to the patient's medical record; and you note the communication in the patient's medical record.

- Don't engage in interactive communication with people who aren't established patients, Silverman advises. Limit your practice's Web site to marketing and administrative information—don't provide testimonials, advice, or specific treatment information, he says.

- Include a disclaimer on your practice's Web site that makes clear that any clinical information is solely for educational and illustrative purposes and isn't to be used to diagnose or treat a patient. Have the Web site user check a box indicating agreement to the disclaimer. Your disclaimer could use language like the following:

Model Language

You agree that no therapeutic relationship is established with ABC Radiology or any physician or other medical professional associated with ABC Radiology by virtue of your use of this Web site. Any clinical content appearing on this Web site is for educational and illustrative purposes only and should under no circumstances be used for the purpose of diagnosing or treating a physical condition. Nothing on this Web site may substitute for the advice of a licensed medical professional. Consult your physician for specific medical advice.

You May Accidentally Form Relationship that Violates Fraud and Abuse Laws

Sometimes a vendor, professional organization, or even another practice with whom you have a referral relationship may provide you with space on its Web site, offer you a free link or portal, or provide technical assistance or support (we'll call these parties "sponsors"). If you accept that assistance, someone visiting your Web site may have to enter it through the sponsor's site. These arrangements can lead to problems, Silverman cautions.

There are compliance issues involved with vendors and referral sources sponsoring Web sites for physicians. Regulatory authorities may think that the sponsor is giving you a benefit in return for your referrals, or as an improper inducement for referrals. Any time a health care provider or a vendor of healthcare products or services sponsors a physician's Web site, it's likely to be considered a kickback or improper inducement, Silverman notes.

Solution. You can avoid this problem by having proof that you're not giving or receiving a benefit in return for referrals. If you set up a Web site using a sponsor's portal, be sure to have a written contract in which you pay fair market value to the sponsor for whatever the sponsor gives you, including design assistance, technical support, and hosting functions, Silverman advises. Make sure that the contract makes good commercial business sense—so that it would be a fair and sensible arrangement for both parties even if no referral relationship or other business relationship existed between them, Silverman advises.

You May Risk Charges of Exerting Undue Influence on Your Patients

Even if the arrangement doesn't raise any kickback issues, you may still be in trouble. Your state's licensing authority may frown on your Web site content if it seems to promote a particular product or service. That's because it may raise questions about a conflict of interest or give the impression that you're endorsing a product or service. Many states have professional conduct rules that bar physicians from exerting undue influence on patients by providing testimonials or endorsements of certain vendors.

Silverman points out that state licensing boards tend to be conservative and take a dim view of innovative marketing tools. Many states once banned physician advertising of any kind, and that mind-set still lingers.

Solution. You should be familiar with your state's professional conduct rules and attitude toward physician endorsements of products and services. If your state has strict rules or demonstrated hostility to that sort of activity, it's best not to allow ven-

dors or other healthcare providers links or sponsorship of your Web site, Silverman advises.

You May Be Held Responsible for Another Site's Content

If visitors to your site can gain access to another site, or if your site provides links to another site, your visitors may think you're responsible for the information on that other site. If a visitor believes he or she got bad information or advice from a site associated with your site, it's possible that the visitor could sue you for malpractice, Silverman explains. This may seem far-fetched, but malpractice insurers are concerned about this issue, too. A consortium of malpractice insurers recently began studying the risks associated with physicians' use of cybermedicine, and linked sites is a big issue that the consortium is struggling with.

Solution. Keeping up with the information other linked sites provide and ensuring that the information is good can be a full-time job in itself. It's best not to try, Silverman says. Instead, install a buffer between your site and any linked site, he advises. The buffer should make it clear that the visitor is leaving your site and that you aren't responsible for the content of the linked site and do not endorse it.

Model Language

ATTENTION! You are leaving the ABC Radiology Web site to enter a linked site. ABC Radiology bears no responsibility for the content of the Web site you are about to enter. ABC Radiology provides this link solely for the convenience of users of the ABC Radiology Web site, and no endorsement or approval of the contents of this linked site is made or implied. Always consult a licensed medical professional for specific medical advice.

Insider Says: To see an overview of the issues being studied by a working group of the consortium of major medical malpractice insurers, its report on these issues, and a press release explaining the working group's mission, go to <www.medem.com>.

You Could Be Practicing Medicine Without a License in Another State

If you communicate health information or advice to someone in another state, that state's licensing authorities may believe you're practicing medicine there. If you're not licensed in that state, you can get into big trouble. And trouble in one state will follow you to another state, as all states make reports of licensing actions to the National Practitioner Data Bank. So once one state sanctions you, other states in which you're licensed will start their own investigations.

Silverman points out that some states have passed laws designed to make it easier for physicians to practice cybermedicine and safer for the states' citizens to get these services. For example, Alabama, California, Tennessee, and Texas will permit a physician to get a "special purpose" license to practice medicine in their state while located in another—via telemedicine or other electronic or wireless technology. But some other states (for example, Arkansas, Georgia, and Mississippi) have passed laws that make it more difficult for a physician to practice medicine or engage in consultations electronically by requiring that a physician who communicates health information in the state must have a license in that state.

So, if you have a Web site that offers health information, or if you communicate health information

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through electronic means with non-residents of your state, you're at risk. It's hard to keep track of which states have laws that encourage the sharing of health information and which have laws that restrict it. Plus this is an issue most states are considering now, so the laws and regulations are changing all the time.

Solution. The safest bet is to limit the health information your site provides to general educational information only, and not to engage in e-mail or other communication with people who aren't established patients or may not be state residents, Silverman remarks. Your site could say that it's for the information of residents of your state only.

If you decide to communicate with people in other states, check the laws in those states to see if you can get a special purpose license to cover the activities. And, if a person's state is one that bars unlicensed electronic medical practice, you shouldn't engage in electronic communication of health information with that person, Silverman says.

Your Electronic Communications with Patients May Be Part of Patient's Medical Record
Many health care attorneys think that e-mail communication between patients and physicians should be considered part of the patient's medical record. Silverman points out that if a patient ever sues a physician for malpractice, the patient's attorney is likely to try to use any e-mail that helps the patient's case as evidence.

But many physicians don't treat e-mail communication the way they treat other communication that's likely to end up in the patient's record, Silverman remarks. The physician may be more casual or "loose" in an e-mail than he would be in a letter, for instance. And, although a letter would almost certainly be placed in the patient's chart, a hard copy of an e-mail may not be. And even if the practice has a procedure for incorporating e-mail messages into the patient's medical record, it may be necessary to inform the patient that any electronic communication will be included in the record. Physician

practices often forget to do this, Silverman notes.

Solution. Any practice that allows patient-physician communication by e-mail, or physician-physician communication of patient information by e-mail, should have a policy in place to preserve this communication, Silverman suggests. The policy should require your practice to:

- Put all e-mail messages into the patient's medical record;
- Inform the patient that the messages will be stored as part of the patient's medical record;
- Ensure that the message storage system complies with all state and federal record retention policies;
- Establish a method of backing up the messages or otherwise preserving them in the event of a system crash; and
- Preserve the confidentiality of e-mail messages. ■

Insider Source

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HIPAA Privacy Regulations Are Now Law

In an April 12 press release, Secretary of the Department of Health and Human Services (HHS) Tommy Thompson stated that the final HIPAA privacy regulations would go into effect as scheduled on April 14, 2001. Health care organizations covered by the regulations have until April 14, 2003, to comply with them (small health plans have until 2004).

In December, HHS had delayed the effective date of the final regulations from February 2001 to April

14, 2001, citing an administrative glitch. During the delay, HHS reopened the comment period for the regulations for 30 days and received more than 24,000 written comments. According to the press release, HHS will address those comments two ways: by issuing guidelines to clarify how the regulations should be implemented and by considering changes to the final regulations.

Although the press release didn't specify which areas would be

clarified or changed, it highlighted several areas of concern. Those included: ensuring that doctors and hospitals have access to necessary health information to treat patients and consult specialists; streamlining the confusing requirements surrounding patient consent forms; and allowing parents access to their children's health information.

You can read the press release on the HHS Web site at <www.hhs.gov/news/press/2001pres/20010412.html>. ■

IN THE NEWS

HCFA Releases Program Memo on Physician Supervision Levels

On April 19, 2001, HCFA issued a program memorandum to carriers on physician supervision of diagnostic tests payable under the Medicare physician fee schedule. The program memorandum covers tests performed in a physician office or an independent diagnostic testing facility, not in a hospital. Although the program memorandum contains few surprises, its release (several years after it was first promised) offers a measure of certainty that had been lacking, says Virginia health care attorney Thomas W. Greeson. We'll tell you what the program memorandum says and where you can get a copy.

Memo Follows Long Delay

HCFA first adopted physician supervision requirements as part of the final rule containing the Medicare physician fee schedule that it published on Oct. 31, 1997. Then, in January 1998, it delayed implementation of those supervision requirements and promised to prepare a program memorandum on the subject. In the meantime, supervision requirements were left to the discretion of local carriers.

HCFA's April 19 program memorandum finally establishes a national standard, effective as of July 1, 2001, for physician supervision of diagnostic tests, Greeson explains. This standard consists of three levels of supervision—general, direct, and personal supervision. HCFA assigned a particular supervision requirement to each diagnostic test, and will consider a test that isn't supervised at the appropriate level

medically unnecessary. And that means that if a test isn't supervised at an appropriate level, Medicare won't reimburse it, Greeson says.

Three Levels of Supervision Set

The program memorandum defines the three levels of physician supervision of diagnostic tests. These levels and definitions are the same as those published in the October 1997 final rule (which was subsequently delayed):

Level 1—General supervision.

A Level 1 procedure is furnished under the physician's overall direction and control. But the physician's presence isn't required during the performance of the procedure. Generally, this means that the physician must be immediately available by telephone during the procedure, Greeson says. And the physician is responsible for the training of the nonphysician personnel who actually perform the procedure and the maintenance of the necessary equipment and supplies.

Level 2—Direct supervision.

The physician must be present in the office and immediately available to furnish assistance and direction throughout the performance of a Level 2 procedure. But the physician isn't required to be in the same room as the patient during the procedure.

Level 3—Personal supervision.

The physician must be in the room with the patient during the performance of a Level 3 procedure.

Levels for Each Test Assigned

The program memorandum lists by CPT code all the diagnostic tests that require physician supervision and assigns a supervision level to each test. In the 1997 rule, most diagnostic radiology procedures required only Level 1 supervision. Although that's still true, there have been a few changes, says Greeson. For example, according to the program memorandum, most ultrasound procedures require only Level 1 supervision, rather than the Level 2 supervision the 1997 rule required. The same is true for nuclear medicine studies. Here are some highlights of the program memorandum:

- Most diagnostic films, ultrasound, and nuclear medicine procedures require Level 1 supervision, although some diagnostic ultrasound procedures require Level 2 or Level 3 supervision;
- MRI and CT procedures without contrast require Level 1 supervision;
- CT and MRI procedures with contrast require Level 2 supervision; and
- MRA procedures require Level 2 supervision.

You can get a copy of the program memorandum at <www.hcfa.gov/pubforms/transmit/b0128.pdf>. ■

Insider Source

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PRACTICE MANAGEMENT

13 Questions to Ask Before You Hire a Collection Agency

As reimbursement levels decline, it's more important than ever to collect every dime owed to you. Many practices hire billing and coding companies to help them get all the reimbursement they're entitled to from managed care plans, Medicare, and other insurers, but what about payments that are the patient's responsibility?

You can lose a lot of money if you fail to collect copayments and payments for the procedures that insurance doesn't reimburse. Although some practices handle these collections themselves, many find hiring a professional collection agency increases their collections and reduces their administrative burden.

But it's important to find a collection agency that's right for your practice, says New York health care attorney Matthew Kupferberg. A collection agency that's going after patients needs to be knowledgeable about insurance reimbursement, because many patients aren't intentionally delinquent—they expected their insurer to pay, says Kupferberg. If your collection agency treats those patients like deadbeats, you may lose them as patients. Worse, Kupferberg says he has heard of cases in which a patient has sued a physician for malpractice out of spite, because the patient believed a collection agency was harassing him. To protect yourself from these nuisance suits, and to encourage good patient relationships, you should choose your collection agency carefully.

QUESTIONS TO ASK YOUR COLLECTION AGENCY

Here are 13 questions to ask if you're looking for a collection agency to help your practice.

Do You Specialize in Medical Collections?

Make sure you hire an agency with experience in medical collections. There are special problems with collecting medical accounts that a general collection agency may not be prepared to deal with, says Kupferberg. First, it's crucial that the agency know how to deal with confidential information appropriately. Agencies that specialize in medical collections will know how to handle confidential patient information without violating the patient's rights.

Also, patients are often surprised that their insurance company didn't pay for everything. Or if you're trying to collect a copayment, the patient may be angry that you won't just accept the insurer's payment as payment in full. But your participation agreements with Medicare and most other insurers require you to collect copayments, and good business requires you to charge for necessary procedures that insurance won't cover. A collection agency with experience in the medical area is more likely to be sensitive to the concerns of the patient while protecting your legal position. Only a collection agency that specializes in medical collections is likely to strike the right balance, says Kupferberg.

And don't take the agency's word for it, Kupferberg advises. Ask for appropriate references, and check them out before you hire the agency.

Do You Meet All the State's Operating Requirements?

Make sure your collection agency is authorized to do business in your state. Operating requirements vary

from state to state, Kupferberg says. Some states don't have any particular licensing or registration requirements for collection agencies, while others require that collection agencies be bonded. Your local Chamber of Commerce or Better Business Bureau should be able to tell you what your state requires. Then make sure that a collection agency you're thinking of hiring meets all those requirements, Kupferberg says.

What Insurance Coverage Do You Have?

It's critical that your collection agency carry adequate insurance. Insurance is important because you could be sued because of agency violations or mistakes. The agency should be bonded and have insurance because a bond alone may not cover all the losses you may suffer because of the agency's mistakes, says Kupferberg. Ask the agency if it has "Errors and Omissions Liability Insurance," he suggests. Also, some law firms specialize in collections work. If the agency is a law firm, ask about its legal malpractice insurance.

But remember, says Kupferberg, that the agency's insurance will provide coverage only for illegal or improper acts of the agency's employees that lead a patient to sue you for damages caused by those acts. If an agency makes a patient angry enough to sue you for medical malpractice, the agency or the agency's insurer won't defend you. Your professional liability policy will take care of your defense in this situation.

Insider Says: For additional protection, try to get the agency to indemnify you—agree to reimburse you—for any losses you may suffer

because of its acts, or those of its employees, Kupferberg suggests.

How Are You Paid?

Most collection agencies take a percentage of the money they collect. But medical collections should be handled differently, because some states have fee-splitting laws that bar you from sharing professional fees with a layperson, says Kupferberg. If your state has this kind of fee-splitting law, try to negotiate a flat rate—for example, an amount per patient account. If the agency doesn't want to do business that way, he advises you to look for another agency.

What Is Your Average Recovery Rate?

You need to know what sort of a return you can expect on the debts you submit to the agency for collection. But beware of pie-in-the-sky assurances, says Kupferberg. In medical collections a typical recovery rate is around 15 percent. View any suggestion that an agency can collect substantially more than that with skepticism, he says.

What Are Your Policies and Procedures?

Investigate the agency's collection practices. Kupferberg recommends that you ask it to provide you with:

- A schedule and outline of the typical steps it takes to collect an account;
- Information, including a "script," on its telephone collection procedures; and
- Copies of collection letters it uses.

When you have all this information, consider showing it to a health care attorney. An experienced health care attorney will be able to tell you whether the materials are appropriate for the special problems that arise when collecting medical

accounts, Kupferberg says. And make sure that you're comfortable with the agency's materials, too. You know your patients, and if the materials seem likely to make them feel defensive or insulted, you may be better off hiring a different agency. You don't want to lose patients over what may be small debts.

How Do You Protect My Patients' Confidentiality?

It's critical that you make sure the agency will keep your patients' private information confidential, Kupferberg says. The agency should have a strict policy that confidential information isn't disclosed or used to embarrass the patient into paying the bill.

Insider Says: Ask to see the agency's confidentiality policy and show it to your attorney, says Kupferberg. And if the agency has refused to indemnify you for all of its acts, try to get it to at least agree to indemnify you against any damages you may suffer if it violates your patients' confidentiality, he suggests.

Can You Provide Frequent, Customized Reports?

Getting regular reports from the agency about the status of collections can be very helpful. The report may give you a lot of useful information about payment patterns, if you ask for it, Kupferberg says. And if the agency gives you reports on a monthly or at least quarterly basis, the information can help you make business decisions about which insurers you should continue to participate with.

Example: You discover from agency reports that many patients of a particular insurer never make their copayments. When it's time to renew your contract with that insurer, you may decide to negotiate for a higher fee schedule to cover your losses.

And you can use the agency reports to back up your negotiating position.

Example: An insurer has suddenly begun to refuse coverage for many procedures and is sending you back to the patient for payment. But the patients aren't paying either. This may indicate that the insurer is in financial trouble or isn't conducting its business properly. It may be a signal to you not to renew your contract, or to terminate it if you can.

How Often Will You Remit Collected Funds to Us?

The agency should pay you the funds it has collected for you at least monthly, Kupferberg says. And some agencies will pay you as often as weekly, he adds. Think about what payment schedule is best for your practice, then ask the agency if it can hold to that schedule. The profit margin in medical practices is usually low, and to protect your cash flow you need a steady income stream. So for most practices, the sooner you can get your money, the better.

Where Do You Keep the Funds in the Interim?

Some states require agencies to keep the funds they've collected in a separate account and not commingle them with the agency's operating funds. Whether your state requires it or not, you should insist on a separate account for your own protection, Kupferberg says. Otherwise, the agency could suddenly shut down and disappear with your money, he cautions.

Will You Report Delinquent Patients to Credit Bureaus?

Threatening to report a debt to a credit bureau can often prompt patients to pay, but making the reports yourself can be time-consuming. Ask the agency whether it makes

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reports to credit bureaus, and how often it updates them. Ask for written proof that it makes credit reports, Kupferberg says, because many agencies say they report but then don't.

Are Our Computer Systems Compatible?

When selecting an agency, consider the computer system it will use to communicate with you. You'll need to be sure your office system will work with the agency's for the electronic transfer of data and information. Plus, you need to be sure that its system is secure to protect your

patients' confidentiality, Kupferberg emphasizes.

What Happens if We Must Sue a Patient for Payment? Sometimes it's necessary to sue a patient to collect what you're owed. Collection agencies that are law firms will usually handle the suit in-house, says Kupferberg. Other agencies will refer those accounts to attorneys they work with. If your agency refers lawsuits to an outside firm, check those attorneys' credentials, too, before you hire the agency, Kupferberg advises.

And find out how much a lawsuit will cost you, Kupferberg cautions.

Often the agency will increase the rate it charges you if you must sue—find out what the increase will be. Also court costs (filing fees, court reporters for depositions, etc.) can add up in a hurry. Some agencies will pay court costs for you up front, but then later you may be socked with big bills you weren't expecting. Ask to see a fee list ahead of time so you know what to expect. If the fees look too high, try to get the agency to agree to let you use your own attorney and pay your own costs, says Kupferberg. ■

Insider Source

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How to Structure a Teleradiology System with Your Hospital

Teleradiology is a boon for patients, hospitals, and physicians. This technology permits a radiologist to view a film or interpret a test on a computer monitor while in a different location from the patient. When radiology offices are connected to a hospital by teleradiology systems, physicians in the hospital's emergency department have access to radiological interpretations without having to wait for a radiologist to come to the hospital. And teleradiology allows physicians and patients in rural areas to benefit from the sophisticated diagnostic skills of radiologists at major hospital centers that otherwise might not be available to them. For radiologists, teleradiology broadens the opportunity to provide services to patients outside the immediate geographic area. And it can reduce the need to leave home in the middle of the night, since films can be elec-

tronically sent to the radiologist's home, and interpreted there.

But there are risks associated with teleradiology. If the system's use isn't structured properly according to its ownership, to eliminate any question that the teleradiology system is meant to induce referrals, there could be antikickback problems, says Washington, D.C., health care attorney William A. Sarraille. And if films are taken in one state and read in another, there may be licensing issues for the radiologists. Also, billing teleradiology services can be complicated, especially if the patient and the radiologist are in locations subject to different fee schedules Medicare and different carriers or intermediaries, Sarraille says.

We'll explain the risks of teleradiology systems in more detail. Most of them are relatively easy to avoid

with careful planning, and we'll show you how to do that.

Structure System's Use to Reflect Ownership

The federal antikickback law bars any exchange of value, direct or indirect, in cash or in kind, in return for, or to induce, referrals of services reimbursable under one of the federal health insurance programs. So, regardless of who's paying for the system, it's important that the arrangement not look like a benefit that's given in exchange for referrals, says Sarraille. Consider the following points so that your arrangement won't be misinterpreted:

Limit use of hospital-owned equipment. If the hospital is paying for the system's equipment, make sure the radiologists in your group know that they're permitted to use it only for teleradiology services for

hospital patients. Several years ago, the OIG issued a Special Fraud Alert that warned laboratories against providing physicians with computer equipment or fax machines that the physicians might use for purposes unrelated to their dealings with the laboratory. The OIG felt these arrangements were “payments”—in the form of the free equipment—from the lab to the physician in return for referrals. Applying the same reasoning, expensive hospital-provided equipment that a radiologist also uses in his private practice in a manner unrelated to hospital business might be viewed as an improper inducement, unless the radiologist pays fair market value for the private use of the equipment.

Although radiologists normally don't make referrals to hospitals, Sarraille says the most prudent way to handle these arrangements is not to use hospital-provided equipment for nonhospital business, unless a fair market value payment is made. This is particularly important if you're a member of a practice that includes physicians in a position to refer—for example, a multispecialty group or a radiology practice that includes medical oncologists, Sarraille notes.

Require hospital to pay for use of group's equipment. If the radiology group buys the equipment and also installs it in the hospital, that could be construed as a benefit to the hospital in exchange for the referral of patients to the radiology group. Like transcription services, teleradiology services can be considered part of the technical component, for which the hospital is reimbursed. So, unless it's clear that the radiologists want the teleradiology equipment solely for their own convenience, the hospital should be paying for its use of the radiologists' equipment on a fair market basis, Sarraille says.

Set everything out in writing and make sure both the radiology group and the hospital have separate attorneys look over the agreement, Sarraille says. Since the antikickback law applies to the hospital and the physician, everyone needs access to good, objective advice.

Get Licenses if Necessary
Licensing can be a thorny problem for radiologists and other providers who use teleradiology across state lines. The question is where the professional service is being provided. Is it in the state where the patient is located or in the state where the professional interpretation is being done? The answer, in most instances, is “both,” says Sarraille.

In many states the state licensing authorities expect a physician who's providing a professional interpretation to be licensed in the state where the patient is located. The state wants to have jurisdiction over the radiologist—and the authority to discipline the radiologist for professional misconduct—so it can protect its citizen (the patient). So if you're presented with a teleradiology arrangement where the patient will be located in a state where you don't have a license, check with the state's medical board to find out if you need to get one.

And don't think no one will notice if you provide medical services to a patient located in another state without having the necessary license. All states and the federal government have access to databases that can track where you're performing services. And if you submit claims for services that you're not properly licensed to perform, the claims can be considered false claims, Sarraille cautions. Also, practicing medicine without a license is a crime in every state—and once one state accuses you of misconduct, every other state in which you're

licensed will investigate and may sanction you.

File Reimbursement Claims Properly

It doesn't seem that payment arrangements for teleradiology should be complicated. After all, radiological interpretations generally don't require face-to-face contact anyway, and Medicare has a long-standing policy of reimbursing for interpretations of films, EEGs, and EKGs transmitted electronically. In fact, billing and payment for teleradiology services is straightforward as long as the patient and the radiologist are both located within the same geographic area, served by the same carrier or intermediary, and subject to the same fee schedule. In this situation, teleradiology doesn't change the way services are billed.

But if the radiologist and the patient are remote from each other and different fee schedules apply, or different carriers or intermediaries handle Medicare payments, reimbursement issues sometimes crop up. For example, some carriers permit the provider of the teleradiology service's technical component to bill them globally—for both the technical and the professional component. Other carriers or intermediaries may require providers to bill the technical and professional components separately. Be sure to get an opinion from your carrier, in writing, before you bill any teleradiology services, and follow the Medicare reassignment rules carefully if the claim will be billed globally. ■

Insider Source

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