

Radiology Administrator's

Compliance & Reimbursement Insider

AUGUST 2006

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Meet the RACRI staff

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IN FUTURE ISSUES

- Proper documentation makes all the difference in diagnostic radiology reimbursements.
- Ten tips for managing the cardiology/radiology turf wars.



Pilot strategies to steer your success

Secluded in your office at 8 a.m., you stare at the screen, facing down 100 e-mails while your telephone message light blinks ominously.

As you momentarily pause to decide which task to tackle first, your chief technologist knocks on your door and sits down without waiting for the customary "come in."

He wants to talk about his busted car battery. Seconds later, the phone rings. It's the front desk. The Office of Inspector General is here.

This may be a typical morning at your facility, said **Jim "Murph"**

Murphy, CEO of Afterburner, Inc., Seminars in Atlanta. With so much going on at any given moment, it's no wonder why radiology administrators feel embattled every day.

Imagine being in a fighter jet trying to drop a bomb through a second story window on the right side of Abu Musab al Zarqawi's home while traveling faster than the speed of sound.

Now, *that's* a tough day, Murphy told a group of business managers and radiology administrators during the June Radiology **> p. 4**

Keep open policies to security concerns

You're required to have an incident reporting and response policy in place, pursuant to section 164.308 (a)(6) of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) security rule. However, a formal avenue for employee feedback regarding the effectiveness of your security policies and practices may be elusive. The security rule does not explicitly require a formal complaint process, but it might be an implicit part of the risk management implementation specification [164.308(a)(1)(ii)(B)], says **Reece Hirsch**, partner at Sonnen-

schein Nath & Rosenthal, LLP, in San Francisco. "You don't want to be in the position of having a paper trail that indicates that certain issues were brought to your attention [and not addressed]."

Make it clear that employees can share concerns about security policies or procedures. "It's always best to handle things up front. If someone comes to you with a question or [worry], take that as a window of opportunity," says **Mark Eggleston**, manager of security and business continuity at Health Partners **> p. 8**

Ask the Insider:

Use appropriate orders for diagnostic radiology testing

Federal regulations guide test orders

Q: Where can we find the federal regulations regarding radiology orders in the hospital setting? My radiologist wants to see written documentation that states that he can add procedures to the referring physician's orders if he deems them medically necessary.

A: Consult the *Hospital Conditions of Participation, 42 CFR 482.26* at www.access.gpo.gov/nara/cfr/waisidx_02/42cfr482_02.html, says **Stacie L. Buck, RHIA, CCS-P, LHRM**, vice president of Southeast Radiology Management in Stuart, FL.

Radiologist or referring physician

Q: Should we allow our radiologists to order additional tests without an order from the attending physician?

A: "The short answer is yes—if the additional test is medically necessary," Buck says.

And, adds **Stacy Gregory, RCC, CPC**, of Gregory Medical Consulting Services in Tacoma, WA, a radiologist can only order additional tests in the hospital setting under certain circumstances, as outlined in 482.26.

There is a distinct difference between hospital and

nonhospital regulations, says Buck. In the nonhospital setting, you can only order additional tests if one of the exceptions to the test order rules exists.

Hospitals should also address this scenario in their by-laws. If you can obtain an order from the referring physician, then do so, Buck says. "Remember, protocols are not allowed. Medical necessity always prevails. And be sure that everything is documented."

Order errors

Q: Can the radiologist change the physician orders in the physician setting if they are clearly wrong according to the patient's clinical signs and symptoms (e.g., clinical indications call for CT angiography rather than CT)? Does the ordering physician have to be notified or issue another order?

A: CMS' ordering of diagnostic tests rule (*Medicare Carriers Manual 15021, Transmittal 1725*) provides for "clear error," says Gregory.

The document states that "the interpreting physician may modify, without notifying the treating physician/practitioner, an order with clear and obvious errors that would be apparent to a reasonable layperson [e.g., x-ray of wrong foot ordered]."

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This scenario may also fall under the “test design” exception to the rules for ordering diagnostic tests, Gregory says.

“Unless specified in the order, the interpreting physician may determine, without notifying the treating physician/practitioner, the parameters of the diagnostic test [e.g., number of radiographic views obtained, thickness of tomographic sections acquired, and use or nonuse of contrast media].”

Find diagnostic test supervision and ordering requirements for hospitals in 42 CFR, which is referenced on p. 2.

Adequate orders in a hospital setting

Q: Can a radiologist in a hospital-based radiology department order additional radiology procedures if the requested scan would not provide the medical information necessary to help the patient?

A: “Yes, this is [appropriate] in the hospital setting,” says Gregory.

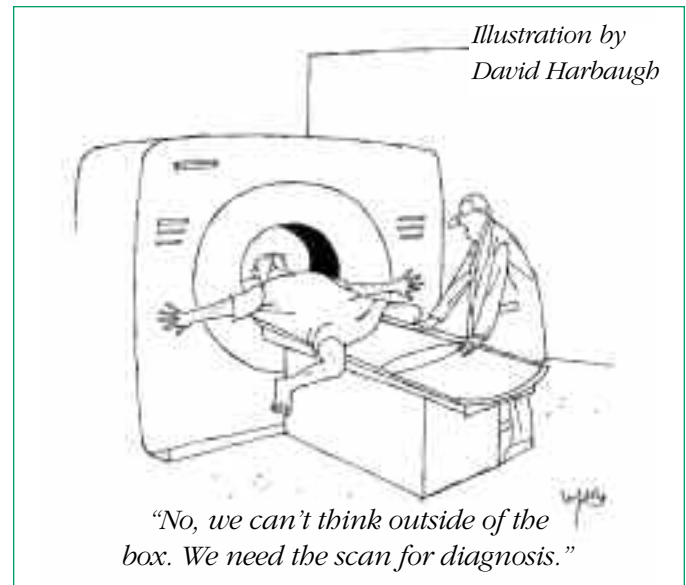
The radiologist should always try to consult with the referring physician. But in the interest of patient care, if additional/different procedures need to be performed, the radiologist may order and provide these services in the hospital setting “with a written order and medical necessity, of course,” she says.

Breast ultrasounds are an exception to that rule, warns

Correction

Larry W. Balmer, CCP, compliance officer and HIPAA privacy and security officer for Radiology Incorporated, offered his thoughts on the challenging requirements of payer precertification for diagnostic radiology orders in the July **RACRI**.

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Gregory. A radiologist cannot order a breast ultrasound on a patient presenting for a diagnostic mammogram. That order needs to come from the patient's treating physician.

Q: For a mammography requiring further evaluation, should the referring physician provide a new order for ultrasound of the breast, or can the radiologist order the ultrasound based on findings? Does he or she need to write a new order or just dictate the need?

A: A radiologist can request that a screening mammography be converted to a diagnostic mammography, but he or she cannot order the breast ultrasound, Gregory says. The order for the breast ultrasound must be generated by the referring physician.

Q: Who should be listed as the ordering physician if the radiologist appropriately adds procedures—the radiologist or the original referring physician?

A: The radiologist, says Gregory. ■

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Business plan

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Business Management Association's (RBMA) 2006 Radiology Summit in Miami.

Prior to his service in the Air Force, Murphy had a successful career in imaging equipment sales, during which he helped increase his company's sales by 500%. However, after graduating from the University of Kentucky, Murphy joined the U.S. Air Force.

As a combat flight leader, he flew missions in Central America, Asia, Central Europe, and the Middle East. After several years in the military, Murphy returned to his love of business.

By applying the simple, five-step process that fighter pilots use to fly flawless missions, imaging administrators can bolster their bottom lines and improve their planning processes, Murphy said.

**"If you can't measure it,
it won't happen."**

—Jim "Murph" Murphy

"Fighter pilots follow a rigorous but simple process of planning, briefing, executing, and debriefing their missions to ensure success every single time," he said. "The same process that makes a military fighter pilot successful will make a radiology business successful, too."

The plan

Most companies do not have a strategic plan, said Murphy. Many do not identify their core mission or overarching goal. Without a launching pad, facilities struggle to fly their radiology business toward the future, he said.

"How are you going to know where you're going if you don't know where you are?" he asked.

Further, what mission—military or professional—could succeed without clear, concise planning?

"I'm not talking about a mission statement hanging on the wall over the receptionist's desk," Murphy said. "I'm talking about a photograph here—a picture you and every single one of your employees can take with you on your mission."

Before radiology administrators enter the planning room, staff need to accept a shift in traditional dogma.

"When you plan, what happens?" Murphy asked rhetorically. "You send the CEO, [chief financial officer], and a bunch of other 'C' people into a room and three hours later they come out with the plan and start dropping stacks of paper on everyone's desk—right? That's how planning is supposed to work, isn't it?"

Instead, Murphy advocates 360 degrees of employee influence when developing a business plan.

"You need your field commanders and your fighter pilots, everyone from the senior vice president to the marketing associates," he said. "Open planning is the key. You know why? If everyone is involved in the planning, then everyone buys into the plan."

When you first step into the planning room, **determine the mission objective**. The goals should be specific, clear, and understandable, Murphy said.

The goal must be achievable and you must be able to measure that achievement.

"If you can't measure it, it won't happen," he said.

Further, make sure that your plan supports the overall mission of your radiology facility. If it doesn't, scrap the plan and start over, Murphy said.

In the second step for proper planning, have your team **identify possible threats**.

"What stands in the way of your organization achieving its objective?" Murphy asked. He flashed a photograph of Osama bin Laden beside the words "cardiologists" and "orthopedics," as RBMA summit members chuckled.

In the world of radiology, any number of difficult issues—including vendor demands, payer

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Fly clear of task saturation

So you've got a million things going on at once. That's why you make the big bucks, right? That's what Afterburner, Inc., Seminars CEO **Jim "Murph" Murphy** called "task saturation."

"It's a silent killer," he said.

Murphy and fellow pilot and lecturer **Yarmema "Yarko" Sos** should know. They lost two friends, "two good fighter pilots who flew their planes into the ground," Murphy said. "They weren't bad pilots. They were good pilots who took their eyes off the ball and died."

"I'm sure you all know of one or two businesses out there [that] were doing really well until some task-saturated manager flew it into the ground," he said.

Generally speaking, people deal with task saturation in any number of ways. Some quit. Others compartmentalize. Some prioritize.

"You can quit," said Murphy. "You can give up and go home or start over somewhere else. The other way we cope is by channelizing our attention. [For example], we focus on that one fish that's close to the boat and ignore that school of fish swimming a few feet away."

To illustrate their point, Sos and Murphy showed a simulated crash of a passenger jet in the Florida Everglades. During routine descent preparations, the crew discovered a broken landing light. Within minutes, everyone in the cockpit became focused—not on landing the plane—but on the landing gear light.

The captain told the copilot to put the plane on autopilot and help with the problem at hand. By focusing on the light—not on landing the plane—the crew became channelized, said Sos.

Although flying on autopilot at 2,000 ft. may be common practice for passenger jets, this plane's autopilot mechanism automatically disengaged with any application of manual pressure. As the copilot leaned forward to work on the light, he inadvertently sent the plane on a slow and steady decline to its doom.

Avoid crashing your radiology business by maintaining focus on the central mission and continuously planning, briefing, executing, debriefing, and planning, said Murphy.

Insider sources:

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Yarmema "Yarko" Sos, Afterburner, Inc., Seminars, 1503 B Northside Dr., Atlanta, GA 30318, 800/261-2912; yarko@afterburnerseminars.com.

Imaging Weekly

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Business plan

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requirements, and government regulations—pose significant threats to your financial future and business growth.

Make sure that you understand the potential effect of these issues and include it in your mission plan.

For your third planning step, **identify available resources**, Murphy said, by doing the following:

- Understand who's who on your team
- Know each staff member's attributes and detriments
- List possible outside vendors to assist you
- Make a list of your facility's physical and financial assets
- Compile a list of strengths and weaknesses of both your competition and your own business

Once you understand the internal and external threats, **match up your available resources with the potential pitfalls**.

"It's just like connecting the dots," Murphy said.

Next, use the previous business experience of yourself and your team to **evaluate lessons learned**.

"I'm being sent to fly a mission in the middle of the night over the desert in the middle of a sandstorm," said Murphy. "I've never flown over this particular area and I've certainly never flown through a sandstorm before, but other people have."

Pick up the phone or, better yet, ask your staff, he said. Further, he suggested contacting related associations (e.g., the RBMA) for advice.

"Your associations have a wealth of knowledge to share. That's what they are there for," he said.

With the groundwork laid, you and your planning team can begin to **brainstorm tactics and appropriate actions to implement your plan**, such as the following:

- Separate into three groups.

- Give each group a short window of time to establish a plan.
- Mandate one group to be the "out-of-the-box" thinkers, the "no-holds barred" thinkers.
- Have teams bring their ideas and then work through them.
- Analyze the pros and cons of each and finalize your plan.
- Bring a fourth group of additional staff into the planning process after you've finished poking holes in the plan. "They'll come in and tear [the plan] to shreds and that's good," said Murphy. "They'll see things you and your team might have overlooked."
- Draft the final plan.

You're not done with the plan yet, said Murphy. With a draft in hand, it's time to plan for contingencies.

"This is the time to decide what you will do *if*," he said. "In the middle of a sandstorm flying straight toward the side of a mountain isn't the time to plan for additional difficulties."

No plan is perfect. If you think that you've thought of everything, you haven't. Think about it some more and consider the worst case scenarios—then plan on them happening.

Finally, **establish the W's**. Decide who will do what, when, where, and how, said Murphy.

Make sure that everyone on the team understands how their assigned tasks fit into the larger picture and make this mission manageable, he said.

Don't forget to brief the staff, as well, Murphy said (see "Five steps to staff briefing for clarity" on p. 7).

Execute the plan

One you set the wheels in motion, make sure that everyone on the team stays focused on the task at hand.

Despite the hundreds of instruments on the flight panel in front of him, Murphy always paid attention to two things—the enemy and the ground.

“What do we focus on? There’s a lot going on it your cockpit, but if you don’t focus you’ll lose the fight,” he said.

The altimeter sits in the center of the instrument panel and is the largest of the plane’s instruments, he said. All pilots follow a specific pattern of rotation when eyeing their instrument panel.

No matter what instrument they check, pilots always return to the altimeter at the center of the panel.

“Your company’s overall goal should be at the center

Five steps to staff briefing for clarity

With a business plan in hand, managers and staff may tend to move straight to implementation, but **Jim “Murph” Murphy**, CEO of Afterburner, Inc., Seminars in Atlanta, warned against this measure during the June Radiology Business Management Association’s 2006 Radiology Summit in Miami. Make sure that you review the plan and brief the staff, he said. Murphy used the letters in the word “brief” for a five-step process for this procedure.

Brief the scenario. What’s the big picture? Why are we here?

Restate the mission objective. Is it clear, measurable, and achievable, and does it support the overall organizational picture? “If not, go back to the drawing board,” said Murphy.

Identify threats and resources. Understand the obstacles that stand between your facility and your business’ success. Know what tools the organization possesses to battle these threats.

Execute appropriate tactics. Make sure that everyone involved knows who will accomplish what task by when and how.

Be **F**lexible and plan for contingencies. Flexibility is the key to success, and preparation is the key to flexibility, Murphy said.

of your instrument panel, too,” Murphy said. “No matter what other problems, goals, or departments your instrument panel also contains, always keep your eye on the center goal.”

Debrief staff to learn from your mistakes

The debrief stage of Murphy’s flawless execution model also requires a culture shift.

In the Air Force, once a mission ends, the entire team enters the debriefing room, he said. As they enter the confines of that enclosure, everyone from flight sergeants to the commanding officer removes their rank—both mentally and physically.

“It must be nameless and rankless,” said Murphy. “Once you walk into that room everyone must be open to criticism, from the head of the company to the secretary.”

At the debriefing, staff must be able to respectfully share information so the next task, objective, and mission can be accomplished, he said.

“Your team must be able to say, without fear of retribution, ‘I’ve made this mistake and I’m going to fix it.’ It’s not who’s right, it’s what’s right,” Murphy said.

“That way everyone knows what went wrong and what went right, and everyone can work together to figure out a plan to overcome these difficulties next time,” Murphy added.

A cycle of success

The goal is accomplished and the team is debriefed. It’s time to get back out there, right?

No, said Murphy. “Go back and incorporate those lessons that you learned from your debriefing back into the plan.”

“You can change the culture of your organization,” Murphy concluded. “You can break the error chain. That’s how you can grow your business.” ■

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Security concerns

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of Philadelphia, Inc. The employee's concerns might lead to a policy improvement or allow you to clarify a confusing aspect of policy for the individual. For example, employees often come to Eggleston with concerns about receiving unencrypted e-mails containing electronic protected health information (ePHI) from outside vendors or associates. Eggleston explains that although Health Partners' policy requires encryption of outgoing e-mails containing ePHI, the HIPAA encryption standard is addressable, and other organizations may make different encryption decisions.

Health Partners' formal policy also enables employees to report matters of corporate responsibility—including security-related issues—that they believe require investigations. The policy explicitly prohibits harassment or retaliation. These provisions are important, Hirsch says. "Send a message to the work force that complaints are appreciated, that it's a legitimate process, and that there won't be retaliation."

And because employees may understandably be reluc-

tant to point out organizational missteps, go further than a nonretaliation policy by making yourself visible and approachable to the work force. Employees will likely be a major source of security feedback—at Health Partners they've brought up concerns about access control and physical security, Eggleston says—but don't overlook feedback from other groups.

For example, third parties (e.g., vendors) could point out problems in your security policies and procedures, Hirsch says.

Amend the policy to create a close working relationship between the security and privacy officer. "The security officer will recognize a security issue that's underlying a complaint when the privacy officer might not have the same expertise and might not spot it the same way," Hirsch says. "A lot of privacy and security issues can be closely intertwined." ■

*Editor's note: This article was first published in the HCPro, Inc., newsletter **Briefings on HIPPA**.*

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