Take These Steps to Survive an Insurance Audit

There is no such thing as an audit-proof claim. However, there are steps you can take to help your practice avoid audits or pass the ones you’re subjected to.

**TRAIN, TRAIN, TRAIN** Surviving an audit is a little like finishing a marathon. The better trained you are, the more likely you are to finish—even do well. Coding isn’t something that only your coder should know and understand. Practice members, including clinical staff and front desk personnel, should all have a working knowledge of ICD-9, CPT, and HCPCS, as well as carrier regulations. If these staff members aren’t comfortable with these coding entities, more training is necessary. This can either be obtained from coding seminars or from an outside consultant who can then be available to assist when questions arise. If money is tight, consider having your best office coders attend seminars, and then spend some time training coworkers in the fine art of appropriate coding. It would certainly be a plus for this person to be a certified coder.

**KEEP YOUR FORMS UP-TO-DATE** Encounter forms should be inspected regularly to be sure they are accurate, useful, and working efficiently for your practice. Use the evaluation and management (E&M) coding complaint history form to help your providers properly document and code the services they render. These forms are available from organizations that provide coding seminars and from companies who produce forms for medical offices.

**KEEP YOUR SOFTWARE UP-TO-DATE** More and more coding and submission is done on computer, so having software that is current is essential to avoiding and passing audits. Software that doesn’t allow use of truncated codes and links to CPT and ICD-9 is a most valuable asset.

**PERFORM YOUR OWN AUDITS...ON YOUR EXPLANATION OF BENEFITS (EOB)** By scrutinizing the rejections you receive, you can gather valuable information that you can use to train your staff. Once you know what is causing your claims to be rejected, you can take steps and set up safeguards to help avoid making those errors and prevent rejections. All this means cleaner claims that are less likely to be audited or will pass an audit if one occurs.

**KEEP YOUR MEDICAL RECORDS CURRENT** If you can afford to, have a prospective audit done for every claim you submit. That’s the ideal way to prepare for the possibility of a real audit, but if you can’t, the next best thing is to perform random post-claim audits on a periodic basis. Consider auditing each provider every six to twelve months. Nurses and physicians can audit each others’ records for documentation that supports the chosen codes. Errors found on claims that have already been submitted must be reported to the carrier for correction.

Yes, you could do all this and still be audited. On the other hand, you could skip all this, be audited, and be in more trouble than you’ve ever imagined. No, these steps will not audit-proof your claims or your records, but adhering to them can certainly put you in a better position should that auditor ever come knocking on your practice door.

Reed Tinsley, CPA is a Houston-based CPA, Certified Valuation Analyst, and healthcare consultant. He works closely with physicians, medical groups, and other healthcare entities with managed care contracting issues, operational and financial management, strategic planning, and growth strategies. His entire practice is concentrated in the health care industry. Please visit [www.rpacpa.com](http://www.rpacpa.com)