



The American Medical Association Private Sector Advocacy Practice Management Center has compiled the following set of useful practice management tips to help physicians and their practice staff deal with various office issues, such as negotiating contracts, collecting payments and dealing with the claims submission process. Let us help you help your members: Publish a tip in its entirety in your next newsletter or e-bulletin. Contact Cindy Penkala at (312) 464-4673 or e-mail [cynthia.penkala@ama-assn.org](mailto:cynthia.penkala@ama-assn.org) with any questions.

**AMA practice tip: Helping patients understand their payment responsibilities**

Physicians and office staff are encouraged to involve and educate patients about medical treatment decisions, as well as payer payment policies and procedures. Industry trends indicate that both payers and employers are shifting more of the responsibility and cost of health care treatment and payment to the patient. In response to this shift, physicians and office staff need to consider proactively either establishing or revising their practice's payment and collection policies accordingly.

Visit the American Medical Association (AMA) Private Sector Advocacy (PSA) Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access educational resources, such as "Helping your patients understand their billing and payment responsibilities" and "Understanding your health insurance policy and payment practices." These resources were developed by the AMA-PSA unit and the Kentucky Medical Association.

As a physician, you know there is strength in numbers. The AMA helps all physicians, regardless of specialty or practice setting, speak with a unified voice on the most important issues facing medicine. Please encourage the physicians in your practice to join or renew their AMA membership by visiting [www.ama-assn.org/go/membership](http://www.ama-assn.org/go/membership) or calling (800) 262-3211.

**AMA practice tip: Mastering the claims management cycle**

The first step in the claims management cycle is to improve physician practice viability through efficient contracting. When entering into negotiations with the health plan's representative, physicians need to be well prepared. The more physicians understand about health plans, the better they will be able to decide if a health plan is suitable for their practice.

Visit the American Medical Association (AMA) Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access educational resources, such as "A guide to working with health plan representatives" and "15 questions to ask before signing a managed care contract." AMA members can download these informative practice management resources free of charge.

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**AMA practice tip: Negotiating contracts**

Taking command of payer contracts and thoroughly understanding their implications is essential to the success of a physician practice. Protect your practice from inappropriate payer discounts by understanding the implications of contract provisions.

The fourth edition of the American Medical Association's (AMA) "Model Managed Care Contract" offers a reasonable alternative to the one-sided, take-it-or-leave-it contracts physicians typically receive from health plans. The contract includes 10 supplemental discussion pieces on a range of important issues including medical necessity/external review, "all products" provisions, and the restrictions and obligations that can occur after a contract is terminated.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the AMA "Model Managed Care Contract" and other educational resources, such as "15 steps to protect your practice from unfair payment practices."

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**AMA practice tip: Automate your practice and reap savings**

The movement by physicians, payers and vendors to streamline health care delivery through the adoption and use of information technology solutions strives to create a more efficient claims management revenue process for all involved. By eliminating significant parts of the manual processes in an office's routine, physicians can free their practice staff to perform other revenue-enhancing functions.

Visit the American Medical Association (AMA) Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource "Information technology solutions: consider the potential savings."

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**AMA practice tip: Selecting a clearinghouse to process claims**

Physicians and practice staff—are you considering selecting a clearinghouse to handle your practice's claims process and submission functions? If so, you are encouraged to review the "What is a clearinghouse?" resource developed by the American Medical Association (AMA) Private Sector Advocacy (PSA) unit and the Kentucky Medical Association. Designed to educate physicians and practice staff about the clearinghouse  
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function, this resource explains the nuances that relate to the submission and transmission of the physician practice's claim information by an outside clearinghouse.

Visit the AMA-PSA Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource, “What is a clearinghouse?”

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### **AMA practice tip: Application Service Providers**

Did you know that the physician practice can submit claims through an Application Service Provider (ASP), a company that connects the health plan with the physician practice by supplying software application services over the Internet? Learn more about ASPs by reading “What is an Application Service Provider?” Developed by the American Medical Association (AMA) Private Sector Advocacy (PSA) unit and the Kentucky Medical Association, the flyer is designed to educate physicians and practice staff about commonly provided ASP services and their possible benefits to the physician practice.

Visit the AMA-PSA Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “What is an Application Service Provider?”

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### **AMA practice tip: Defining a medical billing service**

Before you consider working with one, it is important to know what a medical billing service is and what they can do for your practice. A medical billing service may help physician practices save time and increase profitability by reducing billing expenses and increasing revenues. A good medical billing service also allows physician practices to concentrate on their patients while increasing the bottom line.

Visit the American Medical Association (AMA) Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “What is a medical billing service?”

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**AMA practice tip: Selecting a billing software vendor for your practice**

Purchasing medical billing software for a physician practice can be a daunting task and may result in added costs. To help physicians, the American Medical Association (AMA) Private Sector Advocacy (PSA) unit and the Kentucky Medical Association have developed “How to select a billing software vendor for the physician practice.” The resource provides the physician practice with a proactive approach to determining the specific needs of the practice.

Visit the AMA-PSA Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “How to select a billing software vendor for the physician practice.”

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**AMA practice tip: Collecting payment for services rendered**

Collection services can play an integral role in helping physician practices improve cash flow by securing payment from hard-to-collect delinquent accounts. To offer physicians guidance in selecting a service, the American Medical Association’s (AMA) Private Sector Advocacy (PSA) unit has developed the resource “How to select a collection service.”

Visit the AMA-PSA Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “How to select a collection service.”

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**AMA practice tip: Appointment scheduling and your bottom line**

Something as simple as appointment scheduling can help improve a physician practice’s bottom line. For example, gathering basic patient data at the time the appointment is scheduled allows for the verification of the patient’s health insurance information before a patient’s visit.

Visit the American Medical Association (AMA) Private Sector Advocacy (PSA) Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “Appointment scheduling to improve your bottom line.” This resource was developed by the AMA-PSA unit and the Kentucky Medical Association.

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**AMA practice tip: Connecting with your patients**

Online medical consultations, also known as e-visits, present opportunities for growth and increased efficiency in the physician practice.

To learn more about this new patient convenience and how if it's right for your practice, visit the American Medical Association (AMA) Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource "Online medical consultations: connecting physicians with patients."

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**AMA practice tip: Filing a complaint**

Physicians and practice staff—alert the American Medical Association (AMA) of problems you may be experiencing with health plans and payers by visiting [www.ama-assn.org/go/clickandcomplain](http://www.ama-assn.org/go/clickandcomplain) and completing the AMA Health Plan and HIPAA Complaint Forms. These forms gather sophisticated data on the types and severity of administrative "hassles" that the physician practice experiences on a day-to-day basis in the managed care environment.

While the AMA may pursue compliance activities with health plans or payers where a pattern of administrative hassles are shown, the information provided will be used primarily to shape the AMA's agenda. The AMA does not directly respond to these complaints, as the forms are anonymous. If an AMA member wishes, they may contact the AMA Private Sector Advocacy unit at (800) 262-3211.

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**AMA practice tip: Protecting your practice from inappropriate discounts**

Multiple payers could be taking advantage of your lowest contracted payment rate through the use of a rental network preferred provider organization (PPO). The American Medical Association (AMA) developed the booklet "Read your contracts: Is your practice losing revenue through rental network PPOs?" to educate physicians about how to identify and protect their practices from inappropriate discounts.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource "Read your contracts: Is your practice losing revenue

through rental network PPOs?” AMA members can download this informative educational resource as a member benefit.

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**AMA practice tip: Taking an active approach to the claims management process**

The American Medical Association (AMA) developed the booklet “Prepare that claim” to help physician practices review the efficiency of their current internal claims management process. This booklet contains sample forms and policies that can be adapted to fit the specific needs of a physician practice.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “Prepare that claim.” AMA members can download this informative educational resource as a member benefit.

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**AMA practice tip: Claims submission, processing, adjudication and payment**

The American Medical Association (AMA) developed the booklet and wall chart “Follow that claim” to provide physicians and their office staff with an understanding of what happens to a claim once it leaves the practice. A claim is followed as it moves along the claims submission and health processing networks. Understanding this flow will enable physicians to better address the delay, denial and reduced payment tactics used by health plan payers.

Visit the AMA Private Sector Advocacy (PSA) Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “Follow that claim.” AMA members can download this informative educational resource as a member benefit. To receive the wall chart, please call (800) 262-3211 and ask for AMA-PSA.

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**AMA practice tip: Health plan payer’s claim edits and a physician’s bottom line**

The American Medical Association (AMA) developed the educational resource “The effect a payer’s claim edits can have on the repricing and payment of your claim” to raise awareness of how a claim edit applied by a payer could affect the physician practice’s

bottom line. This resource also highlights how a negotiated fee with a payer for a specific service performed does not necessarily translate into payment of that fee for that service on a claim.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “The effect a payer’s claim edits can have on the repricing and payment of your claim.” AMA members can download this informative educational resource as a member benefit.

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**AMA practice tip: Losing revenue through inappropriate health plan adjustments**

The American Medical Association (AMA) developed the educational resource “Is your practice losing revenue through inappropriate health plan adjustments?” to alert physician practices of the need to carefully review health plan explanations of benefits in order to pinpoint and address underpayments based on inappropriate adjustments by the health plan.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “Is your practice losing revenue through inappropriate health plan adjustments?” AMA members can download this informative educational resource as a member benefit.

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**AMA practice tip: Performing an internal billing audit**

The American Medical Association (AMA), with cooperation from the American Academy of Neurology, developed the educational resource “How to perform a physician practice internal billing audit” to help physician practices understand both the need for an internal billing audit and how to perform an internal billing audit to yield improved claims management processes, cash flow, and compliance with applicable laws and regulations.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “How to perform a physician practice internal billing audit.” AMA members can download this informative educational resource as a member benefit.

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**AMA practice tip: Preparing for health plan retrospective audits**

The American Medical Association (AMA), with cooperation from the American Academy of Neurology, created the educational resource “How to prepare for a health plan retrospective audit” to educate physicians and their office staff about the recoupment efforts of health plans through the retrospective audit process. Physician practices can use this resource to guide them through the retrospective audit process from the initial notification from the health plan to contesting the audit’s findings.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “How to prepare for a health plan retrospective audit.” AMA members can download this informative educational resource as a member benefit.

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**AMA practice tip: Getting paid what you deserve for out-of-network treatment**

The American Medical Association (AMA) has developed the educational resource “Out-of-network payment challenges for the physician practice” to provide physicians and their office staff resources to understand the health plan payer’s obligation for payment to out-of-network providers. The resource explains some of the payment challenges that arise when a physician who is considered out-of-network requests payment from a patient and/or health plan.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “Out-of-network payment challenges for the physician practice.” AMA members can download this informative educational resource as a member benefit.

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**AMA practice tip: Stopping unfair payer practices**

The American Medical Association (AMA) has developed the brochure “What to do about unfair payer practices” to educate physicians on alternatives, or additional complaint mechanisms, available to them beyond those presented through a health plan’s internal complaint submission process. This brochure will guide physicians and their office staff through the process of filing a complaint against health plans with state insurance regulatory agencies.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “What to do about unfair payer practices.” AMA members can download this informative educational resource as a member benefit.

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**AMA practice tip: Taking an active approach to the claims management process**

The American Medical Association (AMA) developed the booklet “Appeal that claim” to simplify the claim audit and appeals processes for physicians and their practice staff. This booklet can help reduce the administrative burden by delivering a step-by-step course of action to appeal an underpaid, delayed or inappropriately denied claim.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource, “Appeal that claim.” AMA members can download this informative educational resource as a member benefit.

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**AMA practice tip: Combating inappropriate health plan claim denials**

The American Medical Association (AMA) developed the educational resource “How to appeal inappropriate health plan claim denials” to educate physicians and their office staff about appealing erroneous payment reductions and denials. This resource also includes tips to assist physicians in identifying and appealing inappropriate health plan claim denials.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to download this complimentary educational resource “How to appeal inappropriate health plan claim denials.”

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**AMA practice tip: Improving practice efficiencies with electronic claims submissions**

The American Medical Association (AMA), in collaboration with the Connecticut State Medical Society, developed the educational resource “The benefits of electronic claims submission—improve practice efficiencies” to help physicians and their practice staff

understand the electronic claim submission process and the many benefits that may be realized by submitting claims electronically to health plan payers. The resource discusses the reduction of claim submission costs and errors, and offers tips on getting started with electronic submission.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “The benefits of electronic claims submission—improve practice efficiencies.” AMA members can download this informative practice management resource as a member benefit.

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### **AMA practice tip: Electronic Funds Transfer Agreements**

The American Medical Association (AMA) developed the educational resource “Frequently asked questions regarding electronic funds transfer agreements” in response to physician concerns regarding electronic funds transfer agreements.

Visit the AMA Private Sector Advocacy Web site at [www.ama-assn.org/go/psatools](http://www.ama-assn.org/go/psatools) to access the educational resource “Frequently asked questions regarding electronic funds transfer agreements.”

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For more information and available resources, there are three easy ways to contact the AMA-PSA unit:

- Call (800) 262-3211, ask for PSA
- Fax AMA PSA at (312) 464-5541
- Visit [www.ama-assn.org/go/psa](http://www.ama-assn.org/go/psa) to browse the AMA PSA Web site