

Psychoanalyst Services



It has now been a year since Psychoanalyst Services was started, and I thought this a good time to send around another junk mail message. (As always, just let me know if you do not want to receive these.)

I'd like to thank all of you for bearing with me as I learned the ropes in this business and made a mistake or two along the way. You were all very patient guinea pigs, and for that I am grateful.

With Year One, the startup year, now under our belt, Year Two begins. Our goal is to expand our services and client base while keeping our existing clients--you--as happy as possible.

I have two bits of news about us.

First, we now have a Web site (www.psychanalyst.services) that explains what we do and provides forms, tools, and handy advice to our customers. The site is mainly intended to help new customers figure out what we do and get started doing it, so you probably already know most of what is there. Still, there may be a few things you will find interesting or helpful:

- How to download and use the TurboScan app to easily send us scanned images of paper documents such as claims and EOB statements using only your iPhone or Android smartphone (<http://www.psychanalyst.services/using-turboscan.html>)
- What HIPAA means to you (more in a minute on this). People have been sent to prison for peeking at celebrity records, and many more have been fined for mishandling patient records. Do you need to worry? Hint: probably not. (<http://www.psychanalyst.services/hipaa.html>)
- If you generate statements for your patients and would be interested in having us tackle this onerous job for you, you can learn more about how we do things and what our statements look like (very professional, we think!) (<http://www.psychanalyst.services/patient-statements.html>)

Second, we now offer electronic claim filing. Instead of printing out the familiar CMS 1500 form, our software generates an electronic file that we upload to a "claims clearinghouse," which in turn sends the claim file on to the insurance company.

Why is a claims clearinghouse involved? Simply because even very large hospital systems, let alone individual doctors and therapists, don't have the resources to set up accounts with every insurer in a country that has thousands of insurers. Instead, the clearinghouse establishes these relationships and serves as a middleman, taking in claims from health care providers and sending them onto insurers.

There are several advantages to electronic claim filing:

- *It is faster:* the claim arrives at the insurer almost instantaneously and, better yet, once it arrives it does not have to be scanned by poorly paid and no doubt miserable workers into the insurance company's claims-processing system;
- *It is more accurate:* the clearinghouse checks to make sure all required fields are filled in. In addition, processing errors at the insurer are eliminated because no error-prone (and expensive) humans are involved in scanning paper claims into the system. The insurance companies are so eager to move health care providers to electronic claim filing that they PAY the claims clearinghouses to process claims.
- *Claims can be easily tracked:* through the claims clearinghouse, the status of a claim can be checked almost immediately.

So what is the catch? The main issue with electronic filing, so far as we can see, is that health care providers that file claims electronically are legally obliged to obey the feared HIPAA regulations. They are, as the Department of Health and Human Services (HHS) puts it, "covered entities." Obeying HIPAA is not a trivial task: you must do a risk assessment of your own business and then develop policies, procedures, training, tracking systems, and technology (mostly data encryption) to ensure that you don't violate the three big HIPAA rules on Privacy, Security, and Transactions.

Right now, the odds of a therapist getting sued by the government for violating HIPAA appear to be almost nil: as of the last time I visited the HHS HIPAA Web site, they had sued only one organization with fewer than 500 employees. Still, you may not want to take a chance with electronic filing.

Keep in mind, however, that sooner or later, electronic filing is going to be mandatory rather than optional. Medicare has already announced that at some indeterminate date in the future it will stop accepting paper claims. The insurance industry no doubt will follow right behind. So, even if you don't choose to file electronically now, you should start thinking about it. Our guess is that if you are as careful as most therapists are with patient records, you will never find a government agent knocking on your door. (But don't take our advice--we ain't lawyers!)