



# WHITEPAPER

Serious Consequences Of Medical Coding Errors & How to Avoid Them

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## Medical Coding: An Easy Explanation

Medical coding is somewhat similar to translation. Medical coders use medical reports from providers, which may incorporate a patient's condition, the provider's medical diagnosis, a prescription, and whatever procedures the provider performed on the patient, and convert that into a bunch of codes, which make up a vital part of the medical claim.

# Significance Of Medical Coding

Medical coding is the most critical part in any medical practice. Precision in this space is basic to patient safety, rapid payment, and efficient operations.

Further, in this whitepaper, you can take a closer look at some of the pointers stating the significance of medical coding.

## PATIENT CARE

Medical coding dives deep into patient data, diagnoses, meds, procedures, treatments, and transforms every bit of information into alphanumeric codes which lead to maintaining the quality of patient information.



## REGULATORY AND CONTRACTUAL COMPLIANCE

Providers are bound by contracts with insurance companies. Contracts spell out negotiated rates for various medical procedures and treatments. Accurate medical coding ensures that practices are in regulatory & contractual compliance.

Medical coding and billing require specified awareness of claim follow-ups, claim denial resolutions, posting payments and bill changes, appeal submissions, and collections management.

## ENSURING PAYMENT FLOW

Medical billing and coding are crucial parts of practices that make sure smooth working of the revenue cycle. Medical billers comprehend distinctive medical regulations and private and public insurance plan policies.



# Common Errors in Medical Coding

This whitepaper highlights some of the common errors in medical coding. As a provider, you might be aware of the errors that may occur in the process, we can help you in avoiding the same.

## **NOT CODING THE GREATEST LEVEL**

The medical coder's job is to code to the greatest level of specificity. This implies abstracting the most information out of the medical reports from the provider and taking precise notes. It likewise implies knowing the medical terminology for both procedures and diagnoses. Coding to a general level or undercoding can 100% lead to a rejected or denied claim.

## **NOT HAVING ACCESS TO THE PROVIDER**

Ideally, every coder would be in consistent contact with the provider they're coding for. Tragically, that is not dependably the situation. Providers aren't accessible all of the time to consult on difficult-to-understand claims. Coders need to do the best with what they have in these conditions, notwithstanding, it is encouraged all the time for the coders to in any case attempt to explain the report as best as they can.

## **MISSING DOCUMENTATION**

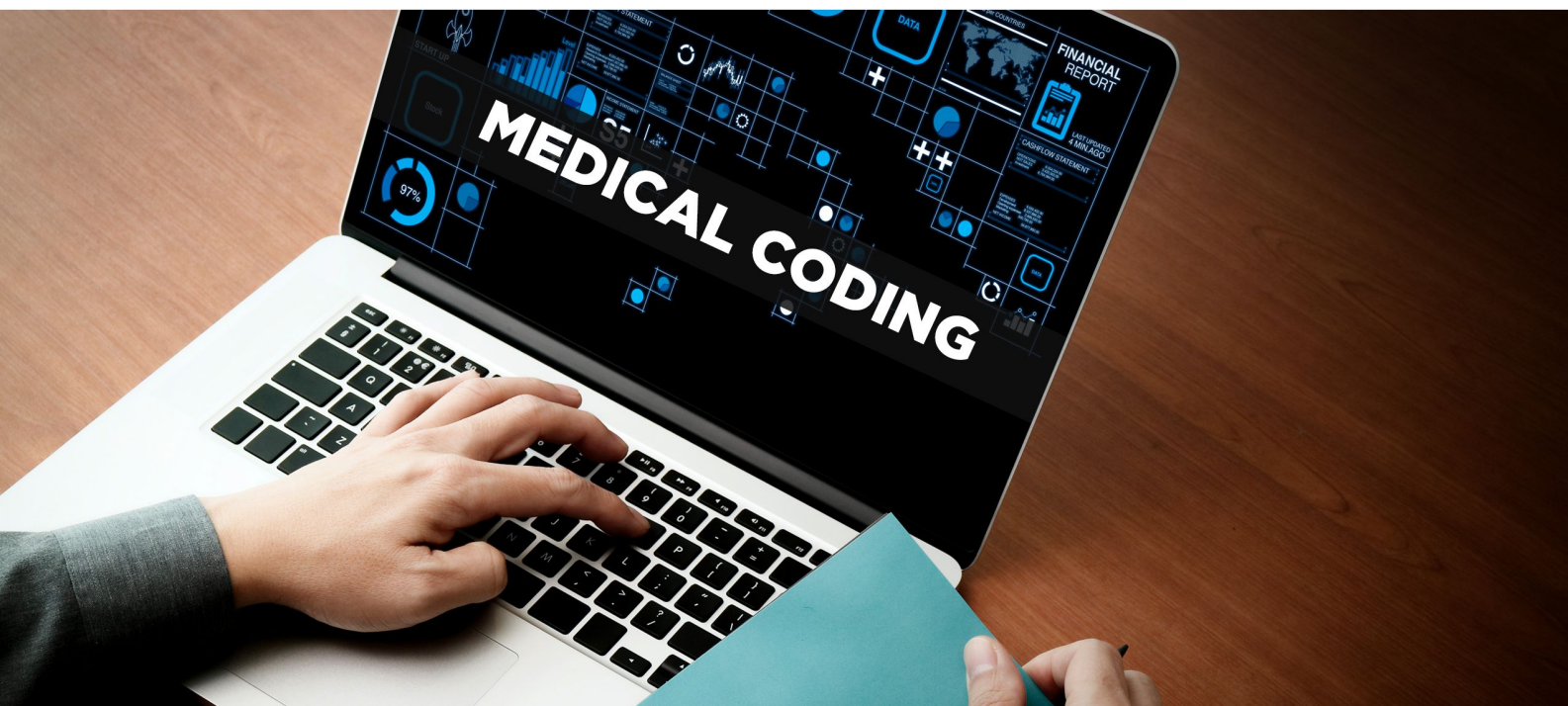
Not coding to the greatest level isn't dependably the medical coder's shortcoming. In specific cases, the provider won't give the coder enough information about the procedure they've performed. Providers may stay away from significant details of the procedure out of the report, or they might give messy medical reports. This issue is exacerbated by the following problem area on the list.

## **FAILING TO USE UPDATED CODE SETS**

The organizations that stay aware of the three principal medical coding code sets (the WHO for ICD, the AMA for CPT, and the CMS for HCPCS) update these manuals consistently. It's dependent upon coders to become familiar with any new or reorganized codes as they come out and use them accurately. Keeping the coders' skills sharp is imperative.

# Serious Consequences of Incorrect Medical Codes

- In the healthcare sector, medical coding errors lead to around 50% claim denials, loss of revenues, HIPAA (Health Insurance Portability and Accountability Act) infringement, and the chance of legal lawsuits and hefty federal fines.
- Once a claim is dismissed or denied, the regular revenue stream is widely affected, and healthcare providers are not billed on time.
- Medical coding error brings about loss of revenue as well as compromises patient care and a patient has the option to petition for negligence that can bring added payment of expensive fines and legal fees.
- Incorrect medical coding can bring about the reimbursement getting denied, delayed, or partially paid.
- Submission of claims based on choosing incorrect codes to Medicaid or Medicare implies violating the Federal Act and law and results in exorbitant fines and punishments.



# How Can You Avoid Medical Coding Errors?

The following are some of the effective tips that help prevent medical coding errors.



## Be Diligent

The work of medical coders will be detail-oriented and loaded with tiny choices to make every day. Medical coders can avoid various medical coding errors simply by double-checking their work. Read over every medical report twice, and never allow yourself to get “too familiar” with a specific code set or set of procedure codes.



## Communicate Often

It's unimaginable all the time to talk now and again with the provider. Regardless, coders should attempt to develop connections at each provider's office, and attempt to speak with them consistently. This will make it easier for a coder to ask them for clarification on any particularly thorny medical reports.



## Stay Sharp

Every year, coders will have to update their coding manuals with their latest versions. In many cases, brand new manuals will be provided by the employer as part of a work expense. These manuals incorporate new codes and revised guidelines, and having the updated edition is crucial if you want to remain up-to-date.

## Bottomline

Medical coding is an enormous amount of challenging work for even the most experienced teams to handle. Small errors to a great extent can possibly cause significant damage. That's why most of the providers outsource it to the experts.

### Some of the benefits of outsourcing your billing need to the experts:

- The better focus for your staff
- Lower expenses
- Minimal errors
- Enhanced patient satisfaction
- Better cash flow
- Higher revenue

You'll similarly get extensive services to manage the stray pieces of the nuts and bolts of the billing and coding process from start to finish. Handoff this task to the Capline experts and you'll decrease insurance denials and boost your cash flow. Then, at that point, providers can return to running the emergency department handling other major concerns.



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