

# 1 Reimbursement, HIPAA, and Compliance

## CHAPTER LESSON PLANS & OBJECTIVES

### Lesson 1.1: The Coder's Rule

1. Understand the structure of Medicare.
2. Distinguish between Medicare Part A and Part B.
3. Interpret rules of the Health Insurance Portability and Accountability Act (HIPAA).
4. Locate information in the *Federal Register*.

### Lesson 1.2: The Business of Medicine

5. Explain the RBRVS system.

### Lesson 1.3: Health Care Fraud

6. Understand the framework of Medicare Fraud.
7. Identify the major components of Managed Health Care.

## CHAPTER PRETEST

A Chapter Pretest is available on the Evolve Instructor Resources. This recall-based assessment may be administered to assess student's baseline knowledge; answers feed to the instructor gradebook.

- Access your "Buck's Evolve Resources for Step-by-Step Medical Coding, 2020 Edition"
- Click "Resources"
- Click "Instructor Materials"
- Click "TEACH Pretests"



# Classroom Preparation

## Lesson 1.1: The Coder's Rule

### INSTRUCTOR PREPARATION

#### Textbook Objectives Covered

1. Understand the structure of Medicare.
2. Distinguish between Medicare Part A and Part B.
3. Interpret rules of Health Insurance Portability and Accountability Act (HIPAA).
4. Locate information in the *Federal Register*.

#### National Standards Covered

##### Content

- Ethical decisions, medical jurisprudence, and confidentiality
- Insurance and diagnostic coding

##### Competencies

- Apply managed care policies and procedures
- Perform diagnostic coding
- Perform within legal and ethical boundaries

#### Lesson Preparation Checklist

- Prepare lecture from TEACH lecture slides available on Evolve.
- Assemble materials and supplies needed for each lesson as indicated below.
- Student performance evaluation of all entry-level skills required for student comprehension and application of third-party reimbursement guidelines, including:
  - Structure of the Medicare program

#### Materials and Supplies

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• Buck's Step-by-Step Medical Coding, 2020 edition</li></ul> | <ul style="list-style-type: none"><li>• Computer</li><li>• Internet access</li><li>• TV screen or screen projector</li></ul> |
|--|--|

# Classroom Preparation

## Lesson 1.1: The Coder's Rule

### STUDENT PREPARATION (2 hrs)

|   |  |
|---|--|
| 1 | <p><b>READ – Textbook (pp. 2-4)</b></p> <p><b>PREPARE – Medical Coding Online</b></p> <ul style="list-style-type: none"> <li>Lesson 1-1, Screens 10-11</li> </ul> <p><b>ANSWER – Textbook</b></p> <ul style="list-style-type: none"> <li>Chapter Review, Theory, Questions 1-4, 7-8</li> <li>Chapter Review, Glossary, Questions 2-3</li> </ul> <p><b>ANSWER – Workbook</b></p> <ul style="list-style-type: none"> <li>Theory, Questions 1-4, 11-12</li> </ul> <p><b>ANSWER – Online Activities (on Evolve)</b></p> <ul style="list-style-type: none"> <li>Activity 1-1</li> </ul> |
| 2 | <p><b>READ – Textbook (pp. 4-6)</b></p> <p><b>PREPARE – Medical Coding Online</b></p> <ul style="list-style-type: none"> <li>Lesson 1-1, Screens 1-9, 12-18</li> </ul> <p><b>ANSWER – Textbook</b></p> <ul style="list-style-type: none"> <li>Exercise 1-1</li> <li>Quick Check 1-1</li> <li>Chapter Review, Learning Objectives, Question 1</li> </ul> <p><b>ANSWER – Workbook</b></p> <ul style="list-style-type: none"> <li>Theory, Question 13</li> </ul> <p><b>ANSWER – Online Activities (on Evolve)</b></p> <ul style="list-style-type: none"> <li>Activity 1-2</li> </ul>  |
| 3 | <p><b>READ – Textbook (pp. 6-9)</b></p> <p><b>PREPARE – Medical Coding Online</b></p> <ul style="list-style-type: none"> <li>Lesson 1-2, Screens 1-4</li> </ul> <p><b>ANSWER – Textbook</b></p> <ul style="list-style-type: none"> <li>Chapter Review, Learning Objectives, Question 2</li> </ul> <p><b>ANSWER – Workbook</b></p> <ul style="list-style-type: none"> <li>Theory, Questions 14-17</li> </ul>  |
| 4 | <p><b>READ – Textbook (pp. 9-10)</b></p> <p><b>PREPARE – Medical Coding Online</b></p> <ul style="list-style-type: none"> <li>Lesson 1-2, Screens 5-8</li> </ul> <p><b>ANSWER – Textbook</b></p> <ul style="list-style-type: none"> <li>Exercise 1-2</li> <li>Chapter Review, Learning Objectives, Question 3</li> <li>Chapter Review, Glossary, Question 5</li> </ul>   |

TEACH Lesson Plan

ELSEVIER: *Buck's Step-by-Step Medical Coding, 2020 Edition*

Copyright 2020 by Elsevier Inc. All rights reserved.

**ANSWER – Workbook**

- Theory, Question 8

# 50-Minute Lesson Plan

## Lesson 1.1: The Coder's Rule

### LECTURE OUTLINE (30 min)

|   |  |
|---|--|
| 1 | UNDERSTAND THE STRUCTURE OF MEDICARE: SLIDES 1-12 (pp. 2-4)  |
| 2 | DISTINGUISH BETWEEN MEDICARE PART A AND PART B: SLIDES 13-19 (pp. 4-6)                                 |
| 3 | INTERPRET RULES OF THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA): SLIDE 20 (pp. 6-9) |
| 4 | LOCATE INFORMATION IN THE <i>FEDERAL REGISTER</i> : SLIDES 21-23 (pp. 9-10)                            |

### LEARNING ACTIVITIES (choose one or more to equal 20 min)

|   |  |
|---|--|
| 1 | <b>ROLE-PLAY (10 min)</b> <ul style="list-style-type: none"> <li>Divide the class into four groups. Ask each group to think of three situations in which coding ethics arise. The groups should then role-play these situations for the class to demonstrate possible coder responses.</li> <li><i>Appropriate Settings:</i> Traditional classroom, flipped classroom</li> </ul> |
| 2 | <b>DISCUSS (10 min)</b> <ul style="list-style-type: none"> <li>Complete Exercise 1-1 out loud with the class and discuss any questions the students may have.</li> <li><i>Appropriate Settings:</i> Traditional classroom, flipped classroom, online</li> </ul>  |

|   |  |
|---|--|
| 3 | <p><b>DISCUSS (10 min)</b></p> <ul style="list-style-type: none"> <li>Discuss the parts of the Administrative Simplification portion of HIPAA and how it pertains to privacy and confidentiality. This includes electronic transactions such as nonsecure emails, discussions in the halls, and other means that confidentiality may be broken.</li> <li><i>Appropriate Settings:</i> Traditional classroom, flipped classroom, online</li> </ul>  |
| 4 | <p><b>REVIEW (10 min)</b></p> <ul style="list-style-type: none"> <li>Divide the students into groups and have them complete Exercise 1-2 and then go over the answers with the class.</li> <li><i>Appropriate Settings:</i> Traditional classroom, flipped classroom</li> </ul> <p><b>RESEARCH (10 min)</b></p> <ul style="list-style-type: none"> <li>Have students access one October, November, or December issue of the <i>Federal Register</i>, describe Medicare policy changes to the class, and discuss how changes affect provider reimbursement.</li> <li><i>Appropriate Settings:</i> Traditional classroom, flipped classroom, online</li> </ul> |

### CRITICAL THINKING QUESTION

#### What are Medicare Parts A and B, and how do they affect coding?

**Discussion Guidelines:** Part A is hospital insurance. Hospitals report Part A services by using ICD-10-CM codes and DRG assignment. Part B is supplemental insurance that helps to pay for physicians' services, outpatient hospital services, and home health care. These services are reported using ICD-10-CM codes for diagnosis, CPT codes for procedure, and HCPCS codes for additional supplies and services.

# Classroom Preparation

## Lesson 1.2: The Business of Medicine

### INSTRUCTOR PREPARATION

#### Textbook Objectives Covered

5. Explain the RBRVS system.

#### National Standards Covered

##### Content

- Ethical decisions, medical jurisprudence, and confidentiality
- Insurance and diagnostic coding

##### Competencies

- Apply managed care policies and procedures
- Perform diagnostic coding
- Perform within legal and ethical boundaries

#### Lesson Preparation Checklist

- Prepare lecture from TEACH lecture slides available on Evolve.
- Assemble materials and supplies needed for each lesson as indicated below.
- Student performance evaluation of all entry-level skills required for student comprehension and application of third-party reimbursement guidelines, including:
  - RBRVS system

#### Materials and Supplies

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• Buck's Step-by-Step Medical Coding, 2020 edition</li></ul> | <ul style="list-style-type: none"><li>• Computer</li><li>• Internet access</li><li>• TV screen or screen projector</li></ul> |
|--|--|

# Classroom Preparation

## Lesson 1.2: The Business of Medicine

### STUDENT PREPARATION (1.5 hrs)

|   |   |
|---|---|
| 5 | <p><b>READ – Textbook (pp. 11-16)</b></p> <p><b>PREPARE – Medical Coding Online</b></p> <ul style="list-style-type: none"> <li>• Lesson 1-3, Screens 1-7</li> </ul> <p><b>ANSWER – Textbook</b></p> <ul style="list-style-type: none"> <li>• Exercise 1-3</li> <li>• Chapter Review, Theory, Questions 5-6</li> <li>• Chapter Review, Practical, Questions 1-5</li> <li>• Chapter Review, Learning Objectives, Question 4</li> <li>• Chapter Review, Glossary, Question 1</li> </ul> <p><b>ANSWER – Workbook</b></p> <ul style="list-style-type: none"> <li>• Theory, Questions 5-7, 9-10, 18-20</li> </ul> |
|---|---|



# 50-Minute Lesson Plan

## Lesson 1.2: The Business of Medicine

### LECTURE OUTLINE (30 min)

|          |  |
|----------|--|
| <b>5</b> | <b>EXPLAIN THE RBRVS AND THE MFS SYSTEMS: SLIDES 24-28 (pp. 11-16)</b> |
|----------|--|

### LEARNING ACTIVITIES (choose one or more to equal 20 min)

|          |  |
|----------|--|
| <b>5</b> | <b>ANALYZE (20 min)</b> <ul style="list-style-type: none"> <li>Give the students a list of fictitious procedures and prices. Have them figure out the preoperative, intraoperative, and postoperative percentages of the procedure if different physicians performed them. For example, if you gave them a charge of \$1000.00, the preoperative work would reimburse 15% or \$150, intraoperative 70% or \$700, and postoperative 15% or \$150.</li> <li><i>Appropriate Settings:</i> Traditional classroom, flipped classroom</li> </ul> |
|----------|--|

### CRITICAL THINKING QUESTION

**The physician fee schedule is updated April 15 of each year. What three basic elements compose this fee schedule? What are the advantages of being paid in this manner?**

**Discussion Guidelines:** A relative value unit for each service, a geographic adjustment factor to adjust for regional variations in the cost of operating a health care facility, and a national conversion factor. The main advantage would be that the physician would know ahead of time the reimbursement of the procedure that he or she performs and as such, can plan accordingly.

# Classroom Preparation

## Lesson 1.3: Health Care Fraud

### INSTRUCTOR PREPARATION

#### Textbook Objectives Covered

6. Understand the framework of Medicare Fraud.
7. Identify the major components of Managed Health Care.

#### National Standards Covered

##### Content

- Ethical decisions, medical jurisprudence, and confidentiality
- Insurance and diagnostic coding

##### Competencies

- Apply managed care policies and procedures
- Perform diagnostic coding
- Perform within legal and ethical boundaries

#### Lesson Preparation Checklist

- Prepare lecture from TEACH lecture slides available on Evolve.
- Assemble materials and supplies needed for each lesson as indicated below.
- Student performance evaluation of all entry-level skills required for student comprehension and application of third-party reimbursement guidelines, including:
  - Issue of Medicare fraud and abuse
  - Managed care

#### Materials and Supplies

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• Buck's Step-by-Step Medical Coding, 2020 edition</li></ul> | <ul style="list-style-type: none"><li>• Computer</li><li>• Internet access</li><li>• TV screen or screen projector</li></ul> |
|--|--|