

# Best Practice in Billing: What Not to Do

Dr. Jon Bailey, PhD, BCBA-D

March 27, 2019

# ORGANIZATIONAL ETHICS



# Housekeeping

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# Downloadable Tools

- BCBA Job Interview Questions
- Autism Services Mergers and Acquisitions Transactions 2004 to 2018
- **Sample Employment Agreement --- WIP**

# Outcomes

## Participants will be able to:

- Understand the impact of unethical billing practices to the field of behavior analysis
- Understand the connection between an organization's commitment to ethics to billing practices
- Learn to mitigate organizational billing risk
- Learn to mitigate personal risk (BCBAs)
- Understand the differences between intentional fraud, unintentional fraud and abuse (compliance)
- Understand the consequences of intentional fraud, unintentional fraud and abuse (compliance)
- Understand different models of billing
- Understand the impact of best practices in billing

# Subject Matter Expert



## **Jon Bailey, PhD, BCBA-D** **Director Masters Program in Applied Behavior Analysis** **University Panama City Campus**

Jon Bailey, PhD, BCAB-D received his PhD from the University of Kansas and is currently Professor Emeritus of Psychology at Florida State University, where he was a member of the graduate faculty for 38-years and produced a record 63 PhDs.

He is currently Director of the FSU Panama City Masters Program in Applied Behavior Analysis. Dr. Bailey is a Board Certified Behavior Analyst. He is Secretary/Treasurer and Media Coordinator of the Florida Association for Behavior Analysis (FABA), which he founded in 1980.

Often considered the “father” of the topic of Ethics for the field of behavior analysis, Dr. Bailey has published over 100 peer-reviewed research articles, is a past editor of the *Journal of Applied Behavior Analysis*, and is co-author of *Research Methods in Applied Behavior Analysis*, *How Dogs Learn*, *Ethics for Behavior Analysts*, 3<sup>rd</sup> Edition, *How to Think Like a Behavior Analyst*, and *25 Essential Skills and Strategies for Professional Behavior Analysts*, all co-authored with Dr. Mary Burch.

In 2014, Dr. Bailey co-authored with Aubrey Daniels, the 5<sup>th</sup> Edition of *Performance Management: Changing Behavior That Drives Organizational Effectiveness*, a seminal book on performance management.

# Panelist: ABA Agency Owner



## **Jay Katari** **Founder and CEO** **My Favorite Therapists**

Jay Katari is the CEO/COBI of My Favorite Therapists, LLC, a Florida-based multi-disciplinary therapy centers that specializes in ABA, Speech Therapy and Occupational Therapy for children with Autism Spectrum Disorder.

In 22 months, under Jay's leadership My Favorite Therapists, LLC has achieved the following:

- Triple digit growth
- Less than 10% employee turnover
- 100% employee satisfaction
- Average EBITDA of more than 35%

Jay is an expert in business startups, company culture, finance and scaling businesses to meet market demands. Jay sits on the Board of Directors of Florida Atlantic University's Center for Autism and Related Disabilities, Boca Raton Police Foundation, and the Palm Beach Chapter of YPO.

# Panelist: ABA Practice Management Software



## **Matt Serel**

**Founder and CEO of AccuPoint**

**Executive Vice President of Therapy Brands (ABA Division)**

Matthew Serel is the Founder and CEO of AccuPoint, a leading ABA Practice Management Platform, and EVP of Therapy Brands which provides integrated practice management software, clinical tools, recruiting, and billing services for behavioral health providers. Therapy Brand's all-inclusive solutions help thousands of ABA practices achieve success daily. Therapy Brand's ABA offering includes practice management, data collection, billing services, and recruiting services.

At 14, Matthew started his first technology company, Purecode Consulting. While in Lehigh University, a long-term client, who had recently undergone a Medicaid Audit, approached him about building a system to not only manage his diverse scheduling, payroll, and billing processes but also proactively manage compliance. Matt developed what was to become AccuPoint during his senior year at Lehigh University and his 1<sup>st</sup> year at Brooklyn Law School.

In 2011, after he saw the potential for AccuPoint to help independent ABA agencies, he left law school to pursue AccuPoint. AccuPoint now provides practice management, data collection, and billing services for ABA Providers in all 50 states and Canada.

# The Importance of Ethics in the Field of ABA

- Every major decision that an ABA organization makes emanates from and is indicative of the importance that an organization places on ethics. **Agree or disagree?**
- For ABA organizations and BCBA practitioners Ethics is a means to protect the health and well being of the client. **Agree or disagree?**
- An organization's billing and revenue management practice can be a reflection of an organization's commitment to ethic, which is correlated to an organization's commitment to placing client outcomes before profits. **Agree or disagree?**

# Real Life Billing Issues. Ethical Issues?

- “...misdiagnosed kids as having autism and engaged in billing fraud... company pushed parents to enroll kids in up to 40 hours a week of therapy even if the kids didn’t need such intense care.”
- “... employees say they were to pushed to bill for services that were never even rendered.”
- “Forged parent signatures on patient care contracts... this was especially prevalent with parents who did not speak English.”
- Policy that mandates ALL clients receive minimum 10 hours of services per week, regardless of need.
- Policy of continuing to bill for services even after the client has successfully met all their goals.
- Consolidation of multiple claims into one in order to help their client reduce their out-of-pocket costs.
- An organization terminates a client relationship because of the severity and intensity of the client’s need.

# It Should All Start and End with Client Success

## **An Ethical ABA Agency is...**

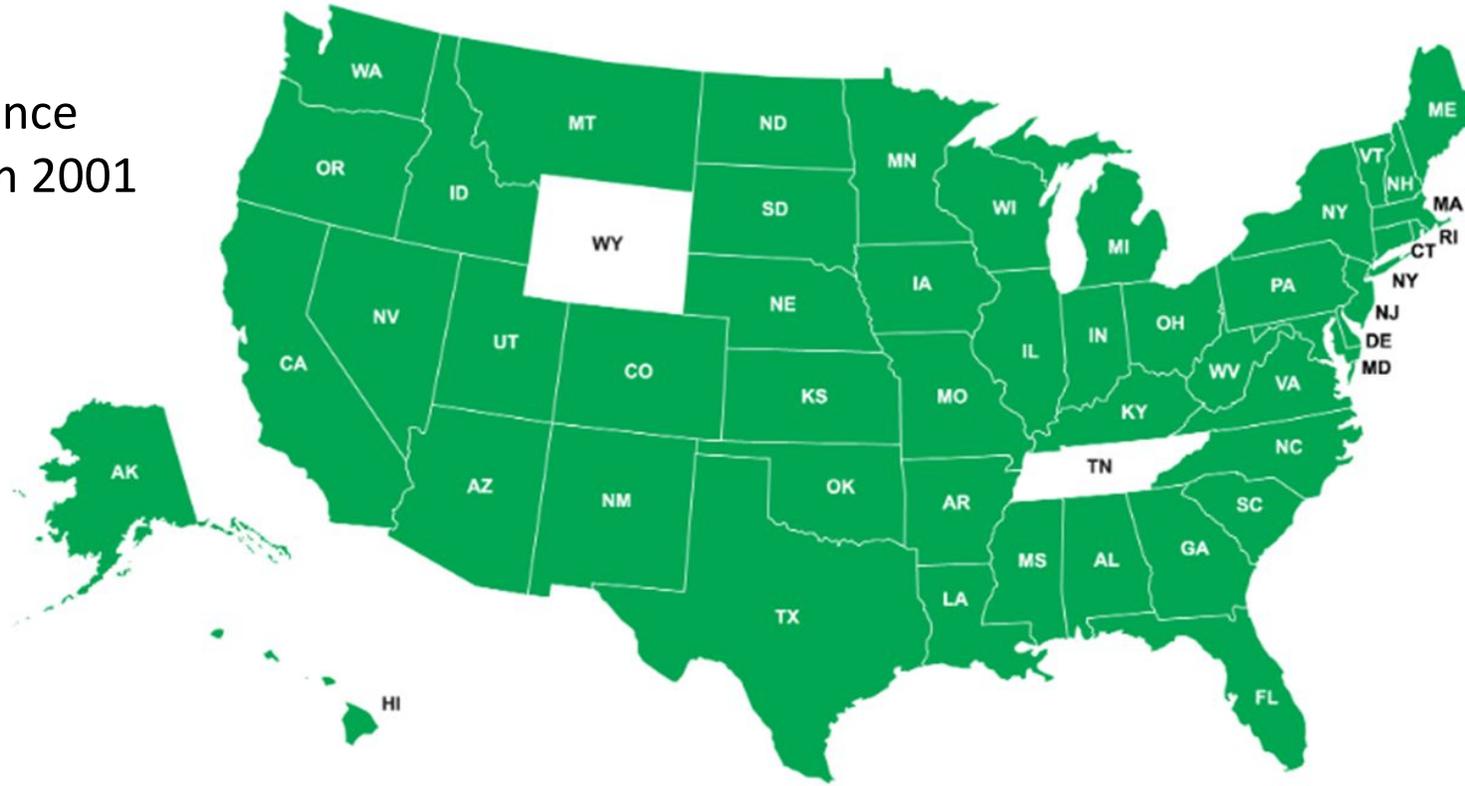
An organization with a mission to help their clients achieve their highest level of independence while generating profits. An ethical organization uses ethics as a filter when making clinical and business decisions. Their primary objective is to help their clients achieve success. Their means to achieving organizational success is through the success of their clinicians.

## **An Ethical BCBA is...**

A Board Certified or Licensed Behavior Analyst has all the necessary skills, both hard and soft, to develop and implement (or oversee the implementation of) an effective ABA program. An ethical BCBA is a professional who is dedicated to helping their clients live better lives. They perform best when partnered with organizations that share their values and commitment to ethics to ensure successful client outcomes.

# Greater Availability in Funding = Greater Temptation for Billing Fraud?

## State Insurance Mandates from 2001 to 2018



- |                       |                    |                      |                     |                            |
|-----------------------|--------------------|----------------------|---------------------|----------------------------|
| 2001 - Indiana        | 2009 - Connecticut | 2010 - Missouri      | 2012 - Alaska       | 2015 - Georgia             |
| 2007 - South Carolina | 2009 - Wisconsin   | 2010 - New Hampshire | 2012 - Delaware     | 2015 - Hawaii              |
| 2007 - Texas          | 2009 - Montana     | 2010 - Massachusetts | 2013 - Minnesota    | 2015 - North Carolina      |
| 2008 - Arizona        | 2009 - New Jersey  | 2011 - Arkansas      | 2013 - Oregon       | 2016 - Oklahoma            |
| 2008 - Florida        | 2009 - New Mexico  | 2011 - West Virginia | 2014 - Maryland     | 2017 - Ohio                |
| 2008 - Louisiana      | 2010 - Maine       | 2011 - Virginia      | 2014 - Nebraska     | 2017 - Alabama             |
| 2008 - Pennsylvania   | 2010 - Kentucky    | 2011 - Rhode Island  | 2014 - Utah         | 2018 - Idaho               |
| 2008 - Illinois       | 2010 - Kansas      | 2011 - California    | 2014 - Washington   | <b>2018 - North Dakota</b> |
| 2009 - Colorado       | 2010 - Iowa        | 2011 - New York      | 2015 - South Dakota |                            |
| 2009 - Nevada         | 2010 - Vermont     | 2012 - Michigan      | 2015 - Mississippi  |                            |

# Validation of Opportunities in “Autism Industry”

	Greater Availability of Funding		Influx of External Investment	
	New States with Autism Insurance Mandates	Total States with Autism Insurance Mandates	# Private Equity Transactions	Total Private Equity Transactions
2001	1	1	N/A	N/A
2002	0	1	N/A	N/A
2003	0	1	N/A	N/A
2004	0	1	1	1
2005	0	1	1	2
2006	0	1	0	2
2007	2	3	0	2
2008	5	8	0	2
2009	7	15	2	4
2010	8	23	4	8
2011	6	29	2	10
2012	3	32	0	10
2013	2	34	3	13
2014	4	38	7	20
2015	5	43	7	27
2016	1	44	9	36
2017	2	46	13	49
2018	2	48	1 (Q/2018)	50

Source: Autism Speaks  
Source: Provident

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## Medicaid and Tricare Fraud 2017 to 2019 (Partial)

3/4/2019	Louisiana	ABA Therapy Solutions	Medicaid	TBD	
1/29/2019	Connecticut	HMV Psychological Services	Medicaid	Medicaid Suspension	Billing for services not provided
11/2/2018	Michigan	Centria	Medicaid	Lost \$8 Million State Grant	Billing for services not provided
10/4/2018	New York	8 Therapists	Medicaid	\$500K	Forged signature, Fraudulent billing; Billing submitted without proper case notes
8/2/2018	South Carolina	Early Autism Project	Medicaid and Tricare	\$8.8 Million	Billing for Admin services, "padding" hours
7/26/2018	Florida	MGM Behavioral	Medicaid	\$1 Million	Using unqualified therapists
7/26/2018	Florida	Harmony Mental Health and Behavioral Services	Medicaid	Medicaid Suspension	No documentation of employees
7/26/2018	Florida	Meli Medical Center	Medicaid	Medicaid Suspension	Failure to disclose revocation of "plumbing contractor's license"
6/7/2018	Philadelphia	LaGracia Burnett	Medicaid	\$210K	Falsifying medical records
2/13/2018	Michigan	Centria	Medicaid		(1) Billing fraud; (2) Violating patient privacy; (3) Forgery; (4) Falsifying reports
10/14/2017	Florida	Coastal Bay Behavioral Health, Inc	Medicaid	\$1.4 Million	Conspiring to defraud the federal government by secretly partnering with a man who was already blacklisted from Medicaid.
3/31/2017	Tennessee	Exemplary Behavior, LLC	Tricare	Tricare Suspension	(1) Double billing; (2) Billing for services not rendered; (3) Providing group therapy and billing for individual therapy, (4) Billing for services not provided
3/10/2017	Tricare South	5 ABA Agencies	Tricare	\$1.9 Million Overpayment	<ul style="list-style-type: none"> <li>• Misrepresentation of the provider who performed the ABA services;</li> <li>• Billing for ABA services provided while the beneficiary was napping;</li> <li>• Billing for two services at the same time;</li> <li>• Unreliable supporting documentation;</li> <li>• Billing for services while the beneficiary was not present; and</li> <li>• Billing for services performed by providers who were not authorized by TRICARE.</li> </ul>
2/7/2017	Florida	Angels Creative Children Therapy	Medicaid	\$4 Million	Billing for services not provided

# Best Practices in Billing and Revenue Management

1. Don't Commit Intentional Billing Fraud
  - Jail
2. Avoid Unintentional Billing Fraud (Medicaid)
  - Jail
3. Avoid Insurance "Compliance" Issues
  - Claw back
4. Establish Organizational Controls
  - Checks and balances
5. Learn to Ethically Negotiate Better Rates
6. Learn to Ethically Increase Reimbursements
7. Help Clients Manage Out-of-pockets

# Best Practices in Billing: BCBAs

## Mitigate Personal Risk by Asking Questions

Conduct Pre-employment Due Diligence (NOTE: Your greatest leverage and position of strength is BEFORE you take the job!)

### **ORGANIZATIONAL ALIGNMENT**

- Do you have a mission statement? Is ethics included in your mission statement?

### **ETHICS**

- Do you have an ethics committee? How does that operate?
- How do I report ethics issues?
- What is your process to resolve ethics issues?
- What is your commitment to ensuring that BCBAs and RBTs can adhere to the BACB Ethics Code?

# Mitigate Risk: Ask Questions

## **BILLING PRACTICES**

- Will I be able to review and sign off on billing?
- Do you have an organization-wide minimum billable hour policy?
- How many cases will be assigned to me?
- What is your policy on billable hours?

## **CLINICAL OUTCOMES**

- What are the metrics used to determine successful client outcomes?
- What controls do you have in place when a client isn't making gains within a reasonable time period?
- Tell me how supervision works, how are supervisors evaluated?
- How many RBTs (or behavior techs) will I be expected to supervise?
- How many cases will I be managing?

# Mitigate Risk: Ask Questions

## **EMPLOYMENT PRACTICES**

- Can I look at the contract you use for BCBA's?
- Will I need to sign a non-compete agreement? How far does the non-compete cover?
- What metrics will be used to determine my success?

## **CLIENT SATISFACTION**

- Do you measure customer satisfaction?
- How do you measure it?
- What are the metrics used to determine client satisfaction?
- What process do you have in place to address customer concerns?

# Picture of an Ethical Organization

## Key Ethics Indicators

- Supervision Ratio: 10 to 15
- Appropriate case load: 10 to 30
- Professional development: 5% of total revenues
- BCBA Turnover: Less than 20%
- RBT Turnover: Less than 30%
- Successful client outcomes: 80% success against monthly goals
- Employee satisfaction surveys: 80%
- Client satisfaction surveys: 80%
- Proper HR Policy: W-2 vs. 1099
- Length of client waitlist: 12 months or less
- Provide client support while on waitlist: Parent training and other resources

# Fraud vs. Abuse

## What is Fraud?

Intentional deception or misrepresentation of fact that can result in unauthorized benefit or payment.

- Submitting claims for services not provided or used
- Falsifying claims or medical records
- Misrepresenting dates, frequency, duration or description of services rendered
- Billing for services at a higher level than provided or necessary
- Failing to disclose coverage under other health insurance
- Refers themselves or a partner provider to perform a service, usually for a financial incentive

## What is Abuse?

Actions that are improper, inappropriate and outside acceptable standards of professional conduct or medically unnecessary.

- Pattern of waiving cost-shares or deductibles
- Failure to maintain adequate medical or financial records
- Pattern of claims for services not medically necessary
- Refusal to furnish or allow access to medical records
- Improper billing practices

# Best Practices in Billing

## Protection Against Fraud and Abuse

### Mitigate risk and avoid unintended consequences

- Written policies and procedures
- Checks and balances
  - BCBA sign-off

### Maximize funding reimbursement

- Negotiate best rates (tied to better outcomes?)
- Clearly understand funder requirements
- Properly document to avoid payment delays
- Adhere to billing best practices

### Organizational Controls

- Integrate scheduling with data and billing
- Review billing with clients
- Ensure timely remittance of client out-of-pockets and co-pays and resolve any billing issues proactively

# Internal Billing Model

## Pros

- Greater flexibility
- Cost

## Cons

- Poor billing controls
- Ability to commit intentional fraud (human nature???)
- Higher instances of unintentional fraud
- Lower reimbursement

# Outsourced Billing Model

## Pros

- Knowledge of funder requirements
- Expert on billing compliance rules
- Higher reimbursement from knowledge of funder requirements
- Incentivized to collect both for reputation and compensation
- Knows best practices for software platforms.

## Cons

- Higher cost / Often offset by higher reimbursement rate

# Billing Software Model

## Pros

- Efficiency
- Quicker clinical decisions
- Cost savings at scale (5+ clients/staff).
- Consolidation of HIPAA Footprint – you don't have paper flying around
- Billing Checks and Balances
  - Client and Staff Signoff
  - GPS Verification
  - Authorization Validation
  - Duplicate Billing Validation
  - Multiple Stages of Approval

## Cons

- Cost: Upfront Investment
- Cost: Monthly Fee
- Setup/Learning Curve

Thank you for attending Special Learning's  
**Organizational Ethics & OBM: Best Practices in Billing**

*Next in the in Series:*  
**Module 4: Audit Proofing Your Organization (April 24, 2019)**

*Thank you to Special Learning Staff who made this event seamless:*

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Ann Beirne, BCBA ACE Coordinator

Pia Agsao, Manager of Operations

Stephanie Lutz, Executive Assistant to CEO

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