

How HIPAA, ICD, CPT, and HCPCS Influence the 10 Steps

In the Medical Billing Process

Medical billing professionals evaluate medical records and work with health insurance companies to determine the fee-for-service that is due from patients. The billing and coding professional must implement HIPAA, ICD, CPT, and HCPCS when using the 10 steps of the medical billing process. Each process must be incorporated to have clean claims so insurance companies will promptly reimburse health care professionals for services that have been provided (Valerius et al., 2008)

HIPAA regulations require covered entities or health organizations to obey the HIPAA laws. Covered entity is organizations that electronically transmit medical information that is protected under HIPAA. Other providers that work for the covered entities must also agree to follow the HIPAA rules. Medical billers are not covered entities and are not required to comply with the law; however it is necessary for billers to follow HIPAA's rules in order to do business with covered entities(Valerius et al., 2008)

The Healthcare Common Procedure Coding System also known as HCPCS is a set of health care procedure codes based on the American Medical Association's Current Procedural Terminology (CPT). A patient's medical bill cannot be submitted to an insurance company for payment unless it has been coded. When coding, each procedure and service done by the physician is given an alphanumeric code based on the Current Procedural Terminology (CPT) manual, and patient diagnoses by the physician are coded using the International Classification of Diseases ICD-9 manual. This is an important process in medical billing and is necessary for proper claim processing and bill payments (Valerius et al., 2008)

HCPCS coding process ensures that insurance claims are processed accurately. HCPCS codes consist of two levels. Medical coders must keep up-to- date with code updates and

changes. During the 10 steps of the medical billing process a patient's medical health record is kept private and confidential under HIPAA laws (Valerius et al., 2008)

References:

Valerius, J., Bayes, N.L., Newby, C., Seggern, J., (2008). Part II claim coding. *Medical Insurance An Integrated Claims Process Approach* (3rd ed.). New York, NY: McGraw-Hill