



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL

HPM 743

Health Care Reimbursement

(Credit Hours: 1)

Department of Health Policy and Management
School of Public Health

Spring 2019 Syllabus
Online course

| | |
|---|---------------|
| Faculty: George H. Pink, PhD | TA: N/A |
| Office: Room 1105D McGavran-Greenberg Hall | Office: |
| Email: gpink@email.unc.edu | Email: |
| Phone: 843-2728 | Phone: |
| Office Hours: Mondays, Wednesdays | Office Hours: |

Course Overview

Reimbursement is complex and at the same time critical in US health care system. Health care organizations receive most of their revenues not from clients (patients) but from a third party on behalf of the patient. The amount of this payment may vary dramatically even for a set of identical services based on the third-party payer. The arrangements between care providers and a specific third party payer can be very complex. The government serves as the largest single payer and mostly defines the rules of the payment. This online course in health care reimbursement is designed to provide students with relevant and current information about health care reimbursement methods and the complexities around it. After completion of the course, students should have an operational knowledge of health care reimbursement theory and practice.

This course was developed by Hadi Beyhaghi, George Pink, and Kristin Reiter with the advice and participation of a HPM student committee composed of the following people:

| | |
|--------------------------|---------------------------------|
| Meredith Berry, MHA 2014 | Kate Millbank Miller, MSPH 2014 |
| Liz Blodgett, PhD 2015 | Kristin Moss, MHA 2014 |
| Vikram Joshi, MHA 2014 | Marissa Noles, MSPH 2014 |
| Sarah Lahidji, MHA 2014 | Robbie Parrott, MHA 2014 |
| Josh Lewis, MHA 2014 | Meridith Pumphrey, MHA 2014 |
| Eric Ransom, MHA 2014 | |

Learning Objectives and HPM Competencies

Course Learning Objective

Competencies

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- | | |
|---|--|
| <ol style="list-style-type: none">1 Demonstrate an understanding of the payment methods used to reimburse health service providers and the associated operational implications2 Demonstrate an understanding of the impact of payment methods on the behavior of providers, payers, purchasers and patients3 Demonstrate an understanding of how to assess and assign risk and accountability in payment arrangements between health plans and provider organizations4 Demonstrate an understanding of emerging innovations in payment and direction of payment reform | <p>Reimbursement: Differentiate payment methods used to reimburse health service providers</p> |
|---|--|

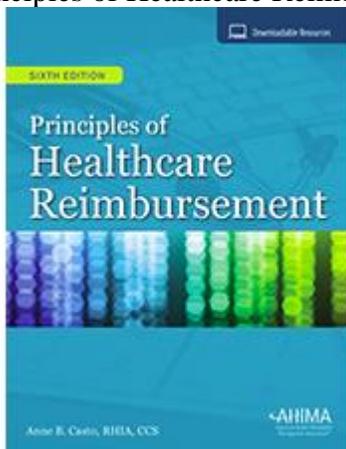
Resources

Website

HPM 743 has its own website on Sakai (<http://sakai.unc.edu/portal>). All registered students are automatically enrolled in the site. The website has videos, PowerPoint presentations of chapters, and ancillary materials. All quizzes are done using the Quizzes and Tests tool on Sakai. Students can check grades on the website.

Text

Principles of Healthcare Reimbursement, Casto. Sixth Edition



Requirements and Expectations

Chapter readings:

Chapters 1-10 of Casto are required reading.

Chapter PowerPoint presentations:

Chapters 1-10 of Casto have PowerPoint slides that summarize the content of each chapter.

MedPAC Payment Basics:

In November of every year, the Medicare Payment Advisory Commission (MedPAC) issues a series of 4-page booklets entitled Payment Basics. Several of these booklets are provided as ancillary materials.

Videos:

A series of videos interviews with executives, clinicians, academics and policy makers about the use and importance of healthcare reimbursement are provided.

Quizzes:

Each Lesson (except for lesson 14) has a quiz that consists of 10 questions about the key concepts from the relevant Casto chapter. A quiz is open-book, focuses on foundational concepts, and does not require calculations. The questions are designed to test nuance of understanding. They push students by asking questions that are logical extensions of the content, not just what the textbook says. Students are given thirty (30) minutes to complete a quiz and submit their answers. The quiz is scored immediately so that a student has immediate feedback. A quiz may be retaken once and the higher score from the two attempts will be recorded. Each successive quiz has different questions.

It is strongly recommended that you do not leave submission of quizzes to the last few days before the end of the course. Chapters sometimes require longer times to read, some quizzes are more difficult than others, and sometimes there are Sakai problems that make time management and early submission of quizzes very important.

All quizzes are available on the first day of classes: 800am on Wednesday January 9, 2019. Quizzes 1-7 must be taken and submitted by 400pm on Wednesday March 6, 2019. Quizzes 8-13 must be taken and submitted by 400pm on Friday April 26, 2019. NO EXTENSIONS CAN BE GIVEN! This is a Graduate School requirement.

Evaluation Method

Grade Components

| <i>Component</i> | <i>% of Grade</i> |
|-------------------------------|-------------------|
| Lesson 1 quiz | 4% |
| Lesson 2-13 quizzes X 8% each | 96% |
| Total | 100% |

13 quizzes evaluate whether individuals can explain theory and concepts of healthcare reimbursement.

Grading Scale

| | |
|--------|---|
| 92-100 | H |
| 75-91 | P |
| 60-74 | L |
| <60 | F |

Valuing, Recognizing, and Encouraging Diversity and Inclusion in the Classroom

We share the School's commitment to diversity. We are committed to ensuring that the School is a diverse, inclusive, civil and welcoming community. Diversity and inclusion are central to our mission — to improve public health, promote individual well-being and eliminate health inequities across North Carolina and around the world. Diversity and inclusion are assets that contribute to our strength, excellence and individual and institutional success. We welcome, value and learn from individual differences and perspectives. These include but are not limited to: cultural and racial/ethnic background; country of origin; gender; age; socioeconomic status; physical and learning abilities; physical appearance; religion; political perspective; sexual identity and veteran status. Diversity, inclusiveness and civility are core values we hold, as well as characteristics of the School that we intend to strengthen.

We are committed to expanding diversity and inclusiveness across the School—among faculty, staff, students, on advisory groups, and in our curricula, leadership, policies and practices. We measure diversity and inclusion not only in numbers, but also by the extent to which students, alumni, faculty and staff members perceive the School's environment as welcoming, valuing all individuals and supporting their development.”

In this class, we practice these commitments in the following ways:

- Develop classroom participation approaches that acknowledge the diversity of ways of contributing in the classroom and foster participation and engagement of all students.
- Structure assessment approaches that acknowledge different methods for acquiring knowledge and demonstrating proficiency.
- Encourage and solicit feedback from students to continually improve inclusive practices.

As a student in the class, you are also expected to understand and uphold the following UNC policies:

- Diversity and Inclusion at the Gillings School of Global Public Health:
<http://sph.unc.edu/resource-pages/diversity/>
- UNC Non-Discrimination Policies:
<http://policy.sites.unc.edu/files/2013/04/nondiscrim.pdf>
- Prohibited Discrimination, Harassment, and Related Misconduct at UNC:
<https://deanofstudents.unc.edu/incident-reporting/prohibited-harassmentsexual-misconduct>

Accessibility

UNC-CH supports all reasonable accommodations, including resources and services, for students with disabilities, chronic medical conditions, a temporary disability, or a pregnancy complication resulting in difficulties with accessing learning opportunities. All accommodations are coordinated through the UNC Office of Accessibility Resources & Services (ARS), <https://ars.unc.edu/>; phone 919-962-8300; email ars@unc.edu. Students must document/register their need for accommodations with ARS before accommodations can be implemented.

UNC Honor Code

As a student at UNC-Chapel Hill, you are bound by the university's Honor Code, through which UNC maintains standards of academic excellence and community values. It is your responsibility to learn about and abide by the code. All written assignments or presentations (including team projects) should be completed in a manner that demonstrates academic integrity and excellence. Work should be completed in your own words, but your ideas should be supported with well-cited evidence and theory. To ensure effective functioning of the Honor System at UNC, students are expected to:

- a. Conduct all academic work within the letter and spirit of the Honor Code, which prohibits the giving or receiving of unauthorized aid in all academic processes.
- b. Learn the recognized techniques of proper attribution of sources used in written work; and to identify allowable resource materials or aids to be used during completion of any graded work.
- c. Sign a pledge on all graded academic work certifying that no unauthorized assistance has been received or given in the completion of the work.
- d. Report any instance in which reasonable grounds exist to believe that a fellow student has violated the Honor Code.

Instructors are required to report suspected violations of the Honor Code, including inappropriate collaborative work or problematic use of secondary materials, to the Honor Court. Honor Court sanctions can include receiving a zero for the assignment, failing the course and/or suspension from the university. If you have any questions about your rights and responsibilities, please consult the Office of Student Conduct at <https://studentconduct.unc.edu/>, or consult these other resources:

- Honor system module.
- UNC library's plagiarism tutorial.
- UNC Writing Center handout on plagiarism.

Lessons

| Lesson | Chapter | Topic |
|--------|---------|---|
| 1 | 1 | Healthcare Reimbursement Methodologies |
| 2 | 2 | Clinical Coding and Coding Compliance |
| 3 | 3 | Voluntary Healthcare Insurance Plans |
| 4 | 4 | Government-Sponsored Healthcare Programs |
| 5 | 5 | Managed Care Plans |
| 6 | 6 | Medicare-Medicaid Prospective Payment Systems for Inpatients |
| 7 | 7 | Ambulatory and Other Medicare-Medicaid Prospective Payment Systems, RBRVS & AFS |
| 8 | 7 | Ambulatory and Other Medicare-Medicaid Prospective Payment Systems, Outpatient & ACS |
| 9 | 7 | Ambulatory and Other Medicare-Medicaid Prospective Payment Systems, ESRD PPS, Safety Net, Hospice |
| 10 | 8 | Medicare-Medicaid Prospective Payment Systems for Postacute Care, SNF & LTC |
| 11 | 8 | Medicare-Medicaid Prospective Payment Systems for Postacute Care, IRF & HHPPS |
| 12 | 9 | Revenue Cycle Management |
| 13 | 10 | Value-Based Purchasing |
| 14 | | The Future of Healthcare Reimbursement |

Lesson 1

Healthcare Reimbursement Methodologies

Learning Objectives

- To use basic language associated with health care reimbursement methodologies
- To differentiate payment methods on unit of payment, time frame, and risk
- To distinguish major payment methods in the United States

Learning Activities

| | |
|--|--------|
| Read Chapter 1 in Casto (required) | 1 hr |
| Read Chapter 1 PowerPoint presentation | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|--------------------|--------|
| Take Lesson 1 quiz | 0.5 hr |
|--------------------|--------|

Lesson 2

Clinical Coding and Coding Compliance

Learning Objectives

- To differentiate the different code sets approved by the Health Insurance Portability and Accountability Act of 1996
- To describe the structure of approved code sets
- To examine coding compliance issues that influence reimbursement

Learning Activities

| | |
|--|--------|
| Read Chapter 2 in Casto (required) | 1 hr |
| Read Chapter 2 PowerPoint presentation | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|--------------------|--------|
| Take Lesson 2 quiz | 0.5 hr |
|--------------------|--------|

Lesson 3

Voluntary Healthcare Insurance Plans

Learning Objectives

- To differentiate major types of voluntary healthcare insurance plans
- To define basic language associated with reimbursement by commercial health care insurance plans and by Blue Cross and Blue Shield plans
- To explain common models and policies of payment for commercial healthcare insurance plans and for Blue Cross and Blue Shield plans

Learning Activities

| | |
|--|--------|
| Read Chapter 3 in Casto (required) | 1 hr |
| Read Chapter 3 PowerPoint presentation | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|--------------------|--------|
| Take Lesson 3 quiz | 0.5 hr |
|--------------------|--------|

Lesson 4

Government-Sponsored Health Care Programs

Learning Objectives

- To differentiate among and to identify the various government-sponsored health care programs
- To understand the history of the Medicare and Medicaid programs in America
- To recognize the impact that government-sponsored health care programs have on the American health care system

Learning Activities

| | |
|--|--------|
| Read Chapter 4 in Casto (required) | 1 hr |
| Read Chapter 4 PowerPoint presentation | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|--------------------|--------|
| Take Lesson 4 quiz | 0.5 hr |
|--------------------|--------|

Lesson 5

Managed Care Plans

Learning Objectives

- To describe origins of managed care
- To trace evolution of managed care
- To describe types of managed care plans

Learning Activities

| | |
|--|--------|
| Read Chapter 5 in Casto (required) | 1 hr |
| Read Chapter 5 PowerPoint presentation | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|--------------------|--------|
| Take Lesson 5 quiz | 0.5 hr |
|--------------------|--------|

Lesson 6

Medicare-Medicaid Prospective Payment Systems for Inpatients

Learning Objectives

- To differentiate major types of Medicare and Medicaid prospective payment systems for inpatients
- To define basic language associated with reimbursement under Medicare and Medicaid prospective payment systems
- To explain common models and policies of payment for inpatient Medicare and Medicaid prospective payment systems
- To identify the components, adjustments, and provisions of the MS-DRG system
- To describe the steps for MS-DRG assignment
- To describe the payment determination steps for IPPS payment
- To describe the inpatient psychiatric facilities prospective payment system
- To identify the components, adjustments, and provisions of the IPF system
- To describe the payment determination steps for IPF payment

Learning Activities

| | |
|--|--------|
| Read Chapter 6 in Casto (required) | 1 hr |
| Read Chapter 6 PowerPoint presentation | 0.5 hr |
| Read MedPAC_Payment_Basics_hospital | 0.5 hr |
| Read MedPAC_Payment_Basics_psych | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|--------------------|--------|
| Take Lesson 6 quiz | 0.5 hr |
|--------------------|--------|

Lesson 7

Ambulatory and Other Medicare-Medicaid Reimbursement Systems: Resource-Based Relative Value Scale & Ambulance Fee Schedule

Learning Objectives

- To differentiate major types of Medicare and Medicaid reimbursement systems for beneficiaries
- To define basic language associated with reimbursement under Medicare and Medicaid healthcare payment systems
- To explain common models and policies of payment for Medicare and Medicaid healthcare payment systems for physicians and outpatient settings
- To outline the history and development of the Resource-Based Relative Value Scale (RBRVS) for physician and other health professional payments
- To define key terms and to describe the structure of the payment system
- To describe how to calculate a payment under the RBRVS

Learning Activities

| | |
|---|--------|
| Read Chapter 7 (first part of chapter) in Casto (required) | 1 hr |
| Read Chapter 7 PowerPoint presentations (first part of chapter) | 0.5 hr |
| Read MedPAC_Payment_Basics_physician | 0.5 hr |
| Read MedPAC_Payment_Basics_ambulance | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|--------------------|--------|
| Take Lesson 7 quiz | 0.5 hr |
|--------------------|--------|

Lesson 8

Ambulatory and Other Medicare-Medicaid Reimbursement Systems: Hospital Outpatient Prospective Payment System & Ambulatory Surgical Center Prospective Payment System

Learning Objectives

- To differentiate major types of Medicare and Medicaid reimbursement systems for beneficiaries
- To define basic language associated with reimbursement under Medicare and Medicaid healthcare payment systems
- To explain common models and policies of payment for Medicare and Medicaid healthcare payment systems for physicians and outpatient settings
- To describe the Hospital Outpatient Prospective Payment System
- To identify the components, adjustments, and provisions of the APC system
- To describe the steps for APC assignment
- To describe the payment determination steps for OPPS payment
- To describe the Ambulatory Surgical Center Prospective Payment System
- To identify the components, adjustments, and provisions of the ASC PPS
- To define key terms and to describe the payment determination steps for ASC payment

Learning Activities

| | |
|--|--------|
| Read Chapter 7 (second part of chapter) in Casto (required) | 1 hr |
| Read Chapter 7 PowerPoint presentations (second part of chapter) | 0.5 hr |
| Read MedPAC_Payment_Basic_OPD | 0.5 hr |
| Read MedPAC_Payment_Basics_ASC | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|--------------------|--------|
| Take Lesson 8 quiz | 0.5 hr |
|--------------------|--------|

Lesson 9

Ambulatory and Other Medicare-Medicaid Reimbursement Systems: End-Stage Renal Disease Prospective Payment System, Payment for Safety-Net Providers & Hospice Service Payment System

Learning Objectives

- To differentiate major types of Medicare and Medicaid reimbursement systems for beneficiaries
- To define basic language associated with reimbursement under Medicare and Medicaid healthcare payment systems
- To explain common models and policies of payment for Medicare and Medicaid healthcare payment systems for physicians and outpatient settings
- To describe the end stage renal disease prospective payment system
- To identify the components, adjustments, and provisions of the ESRD system
- To describe the payment determination steps for ESRD payment
- To define key terms and to outline the history of major safety-net providers
- To describe the payment systems for safety-net providers
- To outline the background of the hospice payment system
- To define key terms and to describe the hospice services payment system

Learning Activities

| | |
|---|--------|
| Read Chapter 7 (third part of chapter) in Casto (required) | 1 hr |
| Read Chapter 7 PowerPoint presentations (third part of chapter) | 0.5 hr |
| Read MedPAC_Payment_Basics_dialysis | 0.5 hr |
| Read MedPAC_Payment_Basics_hospice | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|--------------------|--------|
| Take Lesson 9 quiz | 0.5 hr |
|--------------------|--------|

Lesson 10

Medicare-Medicaid Prospective Payment Systems for Post-acute Care: Skilled Nursing Facility Prospective Payment System & Long-Term Care Hospital Prospective Payment System

Learning Objectives

- To differentiate Medicare and Medicaid prospective payment systems for health care services delivered to patients in postacute care
- To define basic language associated with reimbursement under Medicare and Medicaid prospective payment systems in postacute care
- To explain the grouping models and payment formulae associated with reimbursement under Medicare and Medicaid prospective payment systems in postacute care
- To describe the skilled nursing facility prospective payment system (SNF PPS)
- To identify the major features and requirements of the SNF PPS
- To describe how to calculate a payment under the SNF PPS
- To describe the long-term care hospital prospective payment system (LTCH PPS)
- To identify covered organizations, payment groups, and requisite payment data
- To describe how to calculate a payment under the LTCH PPS

Learning Activities

| | |
|--|--------|
| Read Chapter 8 (first part of chapter) in Casto (required) | 1 hr |
| Read Chapter 8 PowerPoint presentation (first part of chapter) | 0.5 hr |
| Read MedPAC_Payment_Basics_SNF | 0.5 hr |
| Read MedPAC_Payment_Basics_LTCH | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|---------------------|--------|
| Take Lesson 10 quiz | 0.5 hr |
|---------------------|--------|

Lesson 11

Medicare-Medicaid Prospective Payment Systems for Post-acute Care: Inpatient Rehabilitation Facility Prospective Payment System and Home Health Prospective Payment System

Learning Objectives

- To differentiate Medicare and Medicaid prospective payment systems for health care services delivered to patients in postacute care
- To define basic language associated with reimbursement under Medicare and Medicaid prospective payment systems in postacute care
- To explain the grouping models and payment formulae associated with reimbursement under Medicare and Medicaid prospective payment systems in postacute care
- To outline the development of the Inpatient Rehabilitation Facility Prospective Payment System (IRF PPS)
- To define participating facilities
- To describe the processes of collecting data and assigning codes
- To describe how to calculate a payment under the IRF PPS
- To summarize the history and development of the Home Health Prospective Payment System (HHPPS)
- To outline the process of data collection
- To describe characteristics of the payment system
- To describe how to calculate a payment under the HHPPS

Learning Activities

| | |
|---|--------|
| Read Chapter 8 (second part of chapter) in Casto (required) | 1 hr |
| Read Chapter 8 PowerPoint presentation (second part of chapter) | 0.5 hr |
| Read MedPAC_Payment_Basics_IRF | 0.5 hr |
| Read MedPAC_Payment_Basics_HHA | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|---------------------|--------|
| Take Lesson 11 quiz | 0.5 hr |
|---------------------|--------|

Lesson 12

Revenue Cycle Management

Learning Objectives

- To understand the components of the revenue cycle
- To define revenue cycle management
- To describe the importance of effective revenue cycle management for a provider's fiscal stability

Specific Objectives

- To identify the basic steps of the revenue cycle in an acute-care facility
- To explain the relationship between the revenue cycle and positive hospital finance
- To identify how the revenue cycle ties into the hospital compliance plan
- To understand the HIM professional's role in the basic revenue cycle
- To define revenue cycle management (RCM)
- To explain old vs. RCM approaches
- To identify basic key performance indicators for RCM improvement
- To explain the importance of effective RCM

Learning Activities

| | |
|--|--------|
| Read Chapter 9 in Casto (required) | 1 hr |
| Read Chapter 9 PowerPoint presentation | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|---------------------|--------|
| Take Lesson 12 quiz | 0.5 hr |
|---------------------|--------|

Lesson 13

Value-Based Purchasing

Learning Objectives

- To describe the origins and evolution of value-based purchasing and pay-for-performance
- To describe models of pay-for-performance
- To explain models of the Centers for Medicare and Medicaid Services

Specific Objectives

- To describe the origins and evolution of value-based purchasing and pay for performance
- To describe models of pay for performance
- To explain models of the Centers for Medicare and Medicaid Services

Learning Activities

| | |
|---|--------|
| Read Chapter 10 in Casto (required) | 1 hr |
| Read Chapter 10 PowerPoint presentation | 0.5 hr |
| Read MedPAC_Payment_Basics_ACO | 0.5 hr |
| Watch video | 0.5 hr |

Evaluation Activities

| | |
|---------------------|--------|
| Take Lesson 13 quiz | 0.5 hr |
|---------------------|--------|

Lesson 14

The Future of Healthcare Reimbursement

Learning Objectives

- To describe three important issues in the future of healthcare reimbursement

Specific Objectives

- To describe bundled payment
- To describe implications of Accountable Care Organizations for reimbursement
- To describe the potential impact of ICD-10

Learning Activities

Watch videos

1 hr

Evaluation Activities

None