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PRACTICE PARTNER®

Product Bulletin:
Electronic Remittance Advice

Product Bulletin: Practice Partner Clearinghouse Electronic Remittance Advice

The Practice Partner Clearinghouse powered by RelayHealth now offers electronic remittance advice (ERA), a service that helps practices to dramatically streamline their payment posting process. Through the Practice Partner Clearinghouse, practices running Medical Billing for Windows 9.1 or higher can receive and utilize HIPAA-compliant electronic remittance advice.

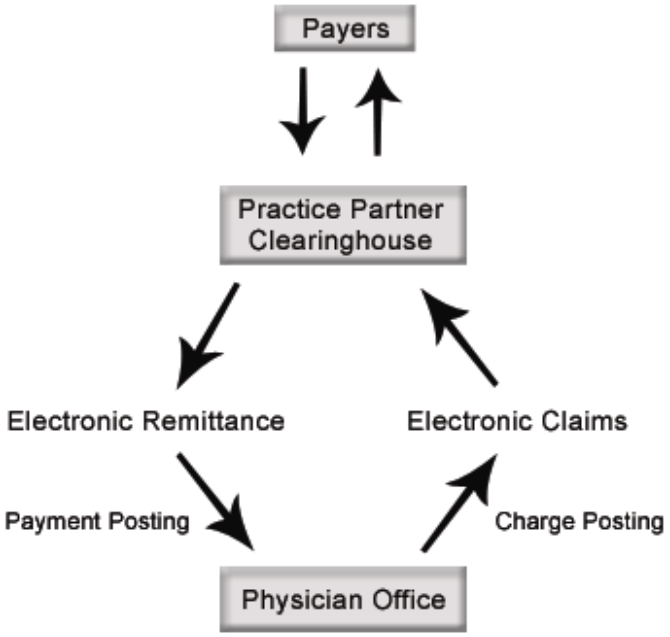
ERA is essentially an electronic Explanation of Benefits (EOB), and provides the ability to post payments and adjustments electronically within Medical Billing for Windows. Since ERA posts multiple payments and adjustments as a batch and automatically applies them to the appropriate charges, ERA is a timesaving service that increases the overall productivity of the office.

What are the benefits of electronic remittance advice?

- Since payments can be automatically posted as a batch, ERA saves data entry and interpretation time by eliminating the need to post payments individually to each charge.
- Eliminates errors from manual data entry by completely automating payment posting.
- Improves productivity by saving time and labor.
- Improves office cash flow. Since payments can be posted more efficiently, offices can expedite secondary insurance and patient billing.

How does electronic remittance advice work?

By providing an electronic copy of the carrier's EOB, ERA closes the loop on the posting process that began with electronic claims submission (ECS) to the Practice Partner Clearinghouse. The benefit is that both ECS and ERA are processed through the Practice Partner Clearinghouse. With ECS, the practice sends a claims file (with individual charges) to the Practice Partner Clearinghouse. With ERA, the practice receives a remittance file (with individual payments), which is then applied to the ledger. An office can also choose to receive the actual payor payment electronically (in lieu of a check), by registering for an electronic funds transfer (Note that payments do not flow through the Practice Partner Clearinghouse).

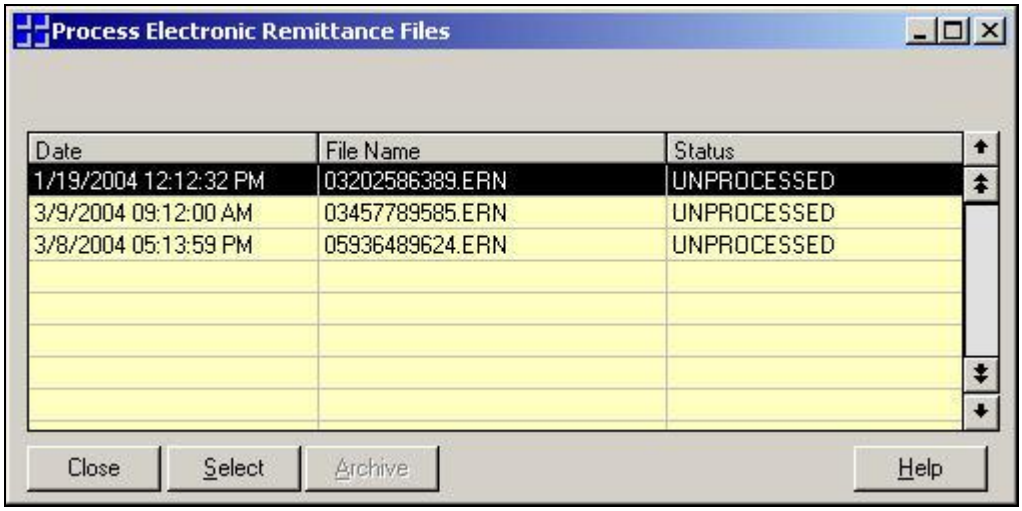


What is the workflow for my office?

The staff member downloads the remittance files from the Practice Partner Clearinghouse Web site and stores them locally. From Medical Billing, open the remittance file processing screen to view the downloaded remittance files and their status.

Remittance File Process Screen

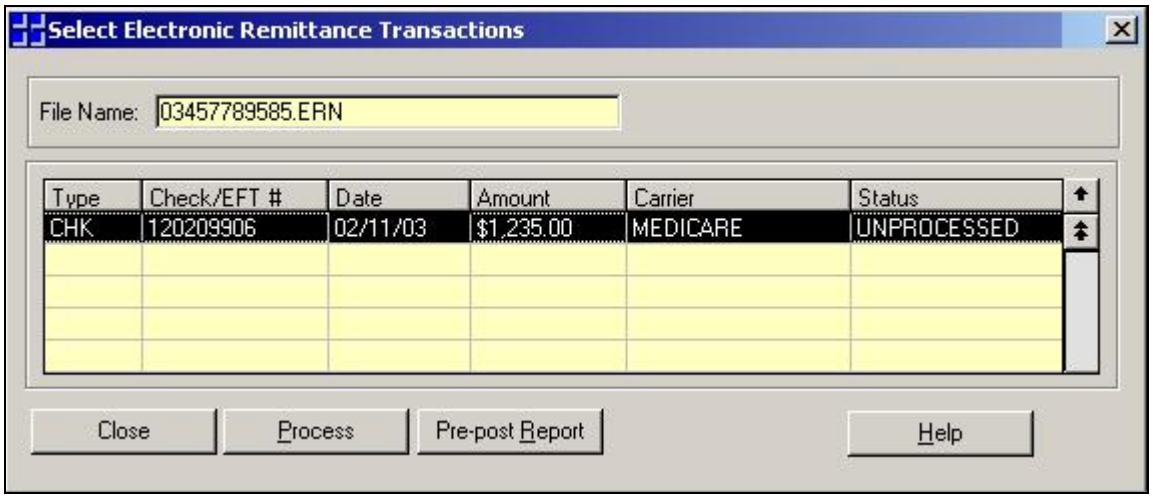
This displays all remittance files waiting for processing:



The staff member selects the remittance file that they would like to post. Each file will typically correspond to an individual payor. Within each remittance file, there may be a number of separate transactions (each transaction is essentially an EOB) and each of these transactions may include multiple payments (just as an EOB often includes multiple payments).

Remittance File Selection Screen

This screen allows the staff member to view and post the individual transactions (EOBs) in the remittance file. Each transaction may include multiple payments:



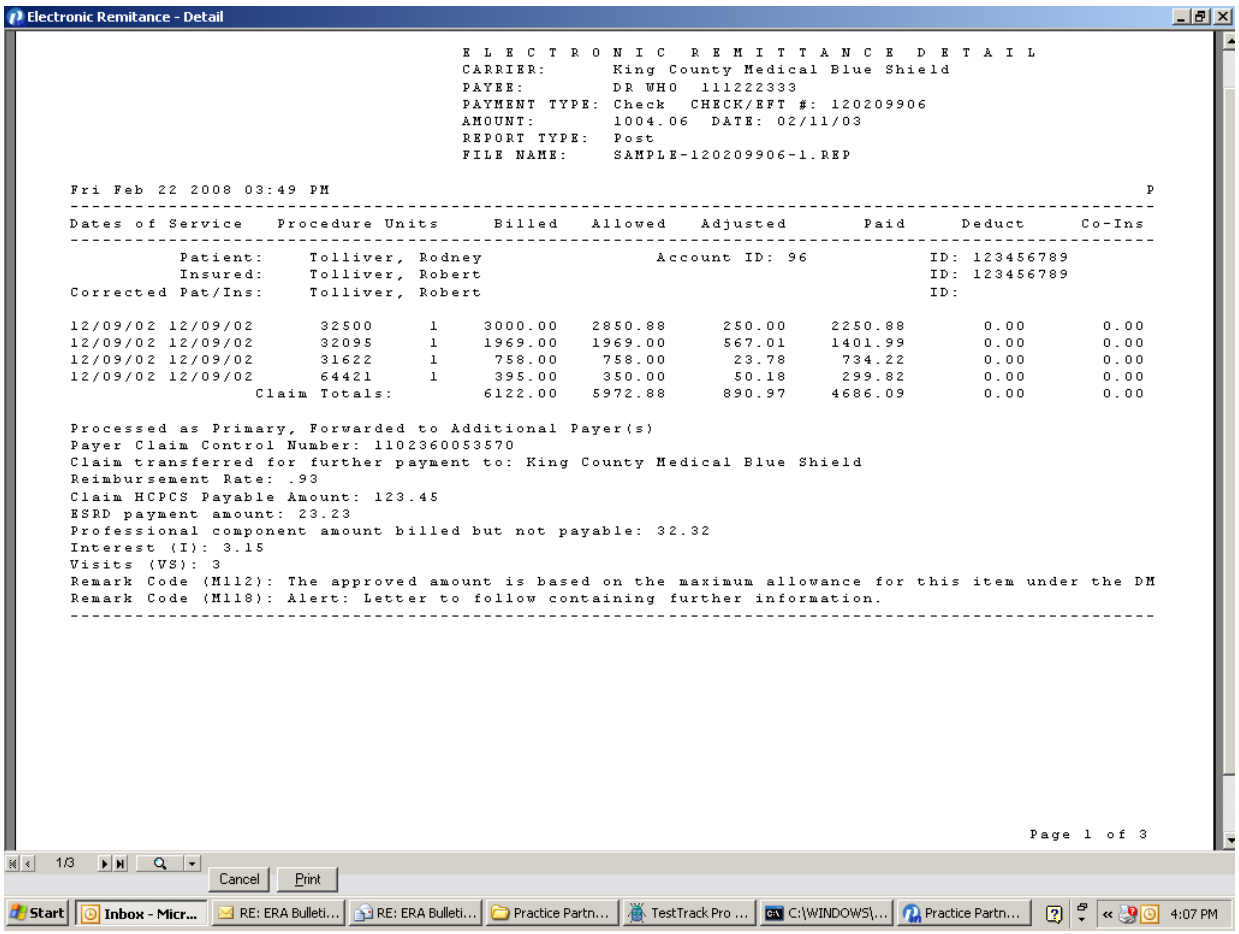
Medical Billing offers the choice to either post transactions individually, or post all of the transactions at once. The transaction selection screen shown above provides the choice of remittance transactions (EOBs) to post. The staff member can also generate a report before any posting takes place.

When the user posts the remittance files, Medical Billing applies the individual payments to the appropriate existing charges. The system will automatically post the payment and any corresponding adjustment to the ledger.

Once the remittance file is posted, Medical Billing will generate a claim detail and service detail report. This report displays details for each payment and adjustment posted from the remittance file. The report includes details such as patient name and ID, account ID, insured name and ID, dates of service, procedure units, billed amount, adjusted amount, paid amount, deductions, co-pay, and notes. Using this information, a staff member can review, correct, and if necessary, manually post any payments. The practice can also save and print these reports at a later time.

Claim Detail Report:

This report displays the results of remittance file posting:



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Electronic Remitance - Detail

                                    E L E C T R O N I C   R E M I T T A N C E   D E T A I L
                                    CARRIER:        King County Medical Blue Shield
                                    PAYEE:          DR WHO  111222333
                                    PAYMENT TYPE:   Check   CHECK/EFT #: 120209906
                                    AMOUNT:         1004.06  DATE: 02/11/03
                                    REPORT TYPE:    Post
                                    FILE NAME:      SAMPLE-120209906-1.REP

Fri Feb 22 2008 03:49 PM                                                                                    P
-----------------------------------------------------------------------------------------------------------
Dates of Service   Procedure Units     Billed   Allowed   Adjusted       Paid      Deduct      Co-Ins
-----------------------------------------------------------------------------------------------------------
          Patient:    Tolliver, Rodney                Account ID: 96            ID: 123456789
          Insured:    Tolliver, Robert                                          ID: 123456789
Corrected Pat/Ins:    Tolliver, Robert                                          ID:

12/09/02 12/09/02      32500      1    3000.00   2850.88     250.00    2250.88        0.00        0.00
12/09/02 12/09/02      32095      1    1969.00   1969.00     567.01    1401.99        0.00        0.00
12/09/02 12/09/02      31622      1     758.00    758.00      23.78     734.22        0.00        0.00
12/09/02 12/09/02      64421      1     395.00    350.00      50.18     299.82        0.00        0.00
                 Claim Totals:        6122.00   5972.88     890.97    4686.09        0.00        0.00

Processed as Primary, Forwarded to Additional Payer(s)
Payer Claim Control Number: 1102360053570
Claim transferred for further payment to: King County Medical Blue Shield
Reimbursement Rate: .93
Claim HCPCS Payable Amount: 123.45
ESRD payment amount: 23.23
Professional component amount billed but not payable: 32.32
Interest (I): 3.15
Visits (VS): 3
Remark Code (M112): The approved amount is based on the maximum allowance for this item under the DM
Remark Code (M118): Alert: Letter to follow containing further information.
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What are the requirements for using ERA?

Practices must be enrolled with the Practice Partner Clearinghouse and using it to send their electronic claims. Practices must be running Medical Billing 9.1 or higher to post with the remittance files. Use of the Clearinghouse also requires an Internet connection.

Which payors provide ERA through the practice partner clearinghouse?

Powered by RelayHealth, the Practice Partner Clearinghouse receives remittance advice from hundreds of payors. Visit the Collaboration Compass Web site www.collaborationcompass.com and click on the "Payor Connection" tab for a complete list. Please note that many payors are not yet ready to provide HIPAA-compliant ERA. These payors are still adapting to the format change required by the HIPAA Transaction Regulations, and cannot produce a HIPAA-compliant remittance file. The list of remittance payors is steadily growing, but a number are still not offering electronic remittance advice at this time.

What is the pricing for ERA?

The prices below are for the package of Claims, ERA and Eligibility – sold separately prices may be higher.

Per Provider/per month	RelayHealth Pricing
Claims	$50
ERA	$20
Eligibility	$20
Paper Claims	$0.55/print

How do I begin using ERA?

The first step is to enroll with the Practice Partner Clearinghouse by completing the Practice Partner Clearinghouse Customer Agreement. Indicate on the paperwork that you would like to receive electronic remittance advice from your payors. Once the agreement has been received, an enrollment coordinator will contact your practice to being enrollment.

During this enrollment process, you can begin setting up a connection with the Practice Partner Clearinghouse and transmitting test claims. Once you have successfully tested and are sending live electronic claims to the Practice Partner Clearinghouse, Practice Partner will help set up your practice to receive the electronic remittance files online.

If you are already enrolled with the Practice Partner Clearinghouse, contact your account manager or email our EDI enrollment team at edienrollment@practicepartner.com.

What if I have additional questions about ERA?

For more information, contact your account manager or call Practice Partner at 206.441.2400. Practice Partner will provide you with the necessary paperwork and instructions to begin receiving ERA.