

**UTAH STATE DEVELOPMENTAL CENTER
DIRECTIVE ~~POLICY~~ AND PROCEDURE MANUAL**

THIRD PARTY BILLING	DIRECTIVE # 20.07	PAGE 1 OF 1
EFFECTIVE DATE: 10-01-96	REVISION DATE: 3/28/2011	BOARD APPROVED:
REVIEWING ENTITY: Financial Manager	Approved by: Karen Clarke Superintendent	
AUTHORITY REFERENCE: FY 1991 Financial Audit		

I. DIRECTIVE:

The Utah State Developmental Center will bill for all services to any third party that might be liable, especially those relating to medical, dental, and pharmacy. All sources of liability will be researched, and if coverage or liability exists, the Developmental Center will bill for those services.

II. PROCEDURE

1. Billing information is received from the medical unit regarding medical, X-ray, EEG, dental, pharmacy, and other related services.
2. Medical billing department must determine fees for medical services provided using established diagnosis codes and prices; entering all information on the Medlink system. The Developmental Center will generate a billing form **which** will then be mailed to the responsible insurance company. Attention to validity and compatibility of the combinations of codes is necessary to minimize questions/rejections from the insurance company.
3. All medical services for all individuals of the Developmental Center must be accounted for and entered into the computer periodically. The accounting system must be able to develop reports on all medical services. The information will be sorted by clinic, doctor, invoice number, month, day, and year. Medicaid is an insurance company we cannot bill since we are on a daily rate billing status. Medicare and all other third party insurance companies will be billed until collection is made, or it is determined collection cannot be made because of valid denial of payment. All payments and correspondence must be recorded in the computer accounting system and individual files.
4. An updated list of insurance benefits must be kept for each individual. Annual reviews will be made and any changes in coverage will be recorded. This list is also used by outside providers.
5. Pharmacy services are billed only to those individuals having third party insurance. The Pharmacy will perform a semi-annual cost review and forward the information to the Business Office for billing. A form is then generated and sent to the insurance company for payment. Again, all payments and rejections must be accounted for in the pharmacy system and individual files. Medicare will not pay for this service.
6. Dental is billed on a monthly basis. A program designed for dental billing is maintained and used to produce an accurate and complete ADA billing form. Like the Medical and Pharmacy software program, we are able to record all payments and adjustments in the computer as well as each file.

Karen Clarke, Superintendent