

Overcoming the National Contract Barriers

FRANK H. LEONE, MBA, MPH

ealing with prospective client companies such as Walmart that are theoretically wed to a national contract is a relatively common obstacle that may seem virtually impossible to overcome.

Do not, however, view such contracts as impenetrable walls; they can be dealt with in many ways.

All Contracts are Not Created Equal

When an employer cites a contractual obligation, much may be left unsaid. Indeed, contracts come in various sizes and shapes. A contract can be:

- Iocal, regional, or national
- prospect-specific (relevant only to that company in that locale) or part of a contract that affects an entire national chain (e.g., Home Depot)
- limited in scope or all-inclusive
- binding to the prospect company or discretionary
- simply a price discount that can be matched or sold over by another provider.

Given these variants, there are many ways that an urgent care clinic can approach a contractually bound prospect. You must first, however, ferret out the nature of the contract or perceived obligation. You should pose questions such as:

- Is the contract for a specific time period?
- Do you or your local office have unilateral authority in arriving at a contractual relationship? If not, who is responsible for a final decision?
- Exactly what services does the contract cover?
- What other types of occupational health-related services does your company use that are not specifically



Frank Leone is president and CEO of RYAN Associates and executive director of the National Association of Occupational Health Professionals. Mr. Leone is the author of numerous sales and marketing texts and periodicals, and has considerable experience training medical professionals on sales and marketing techniques. E-mail him at *fleone@naohp.com*. bound to the contract?

- To what degree is the contract binding to your company?
- In what way, if any, might another provider bid for your company's business?
- (If the contract is merely a guaranteed price discount): Beside price, what other things does your company consider when valuating the return on your investment for health and safety support?

In sum, probe to get the facts, look for openings when they occur, and learn to separate opportunities from closed doors.

Remember: You Have Other Things to Sell

Your urgent care center's occupational health strategy should include product expansion, rather than simply maintaining a static, narrow program. A portfolio-expanding strategy also provides your clinic with a series of fallbacks if and when you are unable to overcome a contractually bound objection.

Existing Contracts Can Mean Opportunity

Assume for a moment that a national player makes even greater inroads with national contracts and that many of your best prospects become wed to such contracts. Such a theoretical crisis should be viewed as an opportunity.

As provision of core occupational health services becomes less cost effective and as national obligations potentially erode relationships with your clients or prime prospects, it becomes necessary to develop and offer supplemental services (specialized screenings, wellness services, executive health, travel medicine, etc.).

You Don't Have to Bat 1.000

At .365, the Minnesota Twins' Joe Mauer had the highest batting average in the major leagues in 2009. Accolades aside, Mr. Mauer's .365 batting average also indicates that he *Continued on page 37*

OCCUPATIONAL MEDICINE

"Outright resignation negates opportunity that may be a question or two away."

failed to get a hit 63.5% of the time. So it is with a sales professional in almost any industry. You have to anticipate a mix of home runs, base hits, walks, and strikeouts.

A company's national contract obligation may in fact close the door on your clinic—at least for the time being. It is inevitable and part of your sales management function. However, remember to ask questions and probe to seek opportunities when dealing with such companies. Nowadays, outright resignation seems to be the norm, thus negating opportunities that may be only a question or two away.

National contracts suggest that occupational health services are a commodity, when in fact they should be seen in terms of a relationship. Armed with such an understanding, the national contract roadblock should be viewed as less onerous than it is in many cases.

The accompanying table presents a series of appropriate responses to common contract scenarios. \blacksquare

Condition	Strategy
Long-term contract	Probe for other service needs
Short-term contract	Position to bid for business at conclusion of contract
Contract with actual company	Stay in touch with decision maker
Contract with national office	Identify contact and correspond with national office
Meeting with decision maker	Learn hot buttons; stay in touch
Decision maker in home office	Identify contact and correspond with national office
Contract covers limited scope of services	Tout value of your broad, integrated services
All, or nearly all, exclusive contract	Look for missing pieces
Contract compliance is mandatory	Look for missing pieces
Contract compliance is discretionary	Treat as traditional prospect; emphasize ROI
Contract involves price discount	Emphasize ROI issues
Contract involves vague obligation	Treat as traditional prospect

CODING Q&A

in addition to the intravenous hydration. Is this all we can bill? Does this seem right to you?

- Question submitted by Nicole, First Health Medical, Fresno, CA You are using the correct codes. Don't forget, however, to list the 96361 multiple times (once for each additional hour after the first hour) when appropriate. If the visit in question is properly documented, for example, you would code an E/M code (e.g., 99203), 96360, 96361 x 4.

Is it appropriate to add modifier -59 to after-hour codes?

- Question submitted by Sharon Dear

Using modifiers on these codes is *not* helpful for compliance or reimbursement. Modifier -59 is for pointing out to a payor that you are referring to a service that might otherwise be bundled into another code, but because of special circumstances, they are really distinct. For the NCCI edits, the primary purpose of modifier "-59" is to indicate that two or more procedures are performed at *different anatomic sites* or during *different patient encounters*.

Can 94760 (Non-invasive ear or pulse oximetry for oxygen saturation; single determination) be reimbursed in addition to an E/M code?

- Question submitted by Linda, Keith & Co., El Cajon, CA

A The code 94760 should be used only when the physician orders a single measurement of oxygen saturation (O2sat) level. Do not use this code when the clinic is documenting pulse oximetry as a routine part of patient intake.

Some basic guidelines for coding 94760 (per Medicare) include:

- 1. It is only covered if the patient exhibits any signs or symptoms that may be suggestive of oxygen desaturation.
- 2. A physician order for the pulse oximetry must be documented in the medical record.
- 3. When pulse oximetry for oxygen saturation is utilized to monitor a patient's respiratory status, oxygen saturation (during a surgical procedure or conscious sedation) oximetry is considered included in the primary service and not separately reimbursable.

Many, but not all, payors follow similar guidelines. If you are following these guidelines but a payor is denying payment for this code, you should consider an appeal. As always, however, any individual payor may have a policy to deny payment for any particular service.

Note: CPT codes, descriptions, and other data only are copyright 2007 American Medical Association. All Rights Reserved (or such other date of publication of CPT). CPT is a trademark of the American Medical Association (AMA).

Disclaimer: JUCM and the author provide this information for educational purposes only. The reader should not make any application of this information without consulting with the particular payors in question and/or obtaining appropriate legal advice.