AMA Peer Review 101

Introduction

The AMA’s Billing Peer Review process was initiated as part of its commitment under the 2016 Amending Agreement. The objective of the process is to ensure that the Schedule of Medical Benefits (SOMB) is clearly defined, clearly understood and billed appropriately. Addressing outlier billing issues helps maintain the overall integrity of the physician payments system in Alberta. The AMA sees Peer Review as an essential component of its compensation strategy, and an important part of the AMA’s stewardship role in the management of health care resources.

Scope of work

Under the 2016 Amending Agreement, the AMA and Alberta Health agreed to develop processes to review billing practices and appropriateness of claims. These processes would be designed to augment and not replace Alberta Health’s compliance activity.

In follow-up discussions, the AMA has put forward that a Peer Review process should be, by definition, physician-led. This would include review of anonymized claims-level data that’s made available to the AMA through a data sharing sub-agreement under the Amending Agreement. In the AMA’s view, clinical appropriateness can only be assessed through compliance/audit activities, including a review of medical charts. This is best left in the domain of Alberta Health’s Compliance and Monitoring Branch, though AMA input regarding health service delivery and the intent and interpretation of health service codes would also be helpful at times.

The AMA Representative Forum has passed some resolutions to guide this work:

- **RF17S-17**: THAT the AMA reaffirm the original intention of the Billing Peer Review as a physician-led non-punitive process as per the Amending Agreement. Alberta Health involvement should only occur when AMA processes have failed to remedy an identified and internally confirmed recalcitrant problem, rather than having routine Alberta Health involvement in the discussion of this committee. CARRIED

- **RF16F-20**: That the AMA offer to work with Alberta Health to review SOMB audits to ensure fair and just audits. CARRIED

It’s very important to note that the AMA does not, and will not be receiving claims data that identifies the name or practitioner ID of individual physicians. This is in keeping with the educational focus of the Peer Review process. Anonymized claims level physician data is studied with a view to identify billing issues, rather than individual physicians.
Governance

The AMA’s Peer Review Committee (PRC) is comprised of six physicians appointed by and reporting to the AMA Board. Members are selected to represent perspectives from a cross-section of the profession and AMA staff to provide support for the committee’s activities.

A joint AMA/Alberta Health committee is also currently under development. The joint committee will provide a forum to discuss billing issues of mutual concern and to propose any changes to the Schedule of Medical Benefits. In keeping with the RF direction above, it is not anticipated that the joint committee will be directly involved in audit of physician claims.

Peer Review process

The graphic below illustrates the process by which the committee will be undertaking its work. The process involves several steps explained below.

A. Intake of billing issues

Billing issues may be brought forward through various methods, some of which are noted below:

- **Through statistical analysis of claims data** - AMA Health Economics will follow a process developed by the PRC (see Appendix A for an example of the committee’s outlier analysis)
Directly from members or sections - This may occur through a variety of means, including telephone calls, issues raised during billing seminars or potentially through AMA fees-related committees. To assist in collecting information from members, the PRC has developed a web page/portal to identify and track billing issues of concern. Physicians will have the option to submit anonymously, however, they will be strongly encouraged to focus on billing practices rather than on any specific individuals. The web page can be accessed at https://www.albertadoctors.org/app/prc-suggestions/ 

- From Alberta Health - This is potentially a very important source, as it will give the AMA a better understanding of where physicians are running into difficulty with claims assessment. It may also assist the AMA and AH in identifying any differences each organization may have regarding interpretation of SOMB rules/fees.

B. PRC review

The PRC will review the issue from several perspectives:

- Does this billing practice appear to be misaligned with the SOMB rules? Is there a possibility that this practice is appropriate, and perhaps others are under-billing for services?

- How widespread is the practice? (E.g., does it involve a single physician, a single group/clinic, several physicians in a section, or potentially impacting several sections?)
• Is there significant variation between geographical areas (e.g., Edmonton/Calgary, etc.) or between sections that use the codes?

• Are general rules well defined and/or is health service code wording clear?

• Is Alberta Health’s claims assessment system working properly? (E.g., are rules being properly applied?)

• Has guidance been provided to physicians in the past through billing tips, etc.? Does guidance need to be refreshed? Is the guidance provided meaningful and effective, or should other alternate means of communication be considered?

As part of this assessment, the PRC will typically seek the opinion of affected sections, as sections are generally best positioned to comment on the interpretation of their fees and the appropriateness of billing practices.

C. Recommended action

If action is required, a number of different options may be pursued:

**PRC Billing Matters newsletter** – A new AMA newsletter targeted to physicians and their office staff will highlight appropriate billing issues. The content will mostly be in the form of brief, case-study type of articles. Much of the material will be drawn from the work of the PRC however there may be some potential in the future to also include “heads up” messages pertaining to billing practices at high risk of an Alberta Health audit.

**Targeted communication** – Where possible, the PRC will endeavor to send targeted communication to physicians who would benefit from education on fee/rule interpretation. As an example, if a billing issue affects only one section, the PRC would send information directly only to members of that section.
**Fee Navigator updates** – The AMA Fee Navigator is a very popular source of information regarding SOMB fees and rules. This web application presents a consolidated view of health service code descriptions, prices, modifiers, general rules and billing tips. Where applicable, PRC content will be added to provide additional guidance to physicians. The AMA intends to make this the definitive resource/repository of information for billing information. Available to both members and non-members (e.g., billing staff), the Fee Navigator can be accessed at www.albertadoctors.org/fee-navigator.

**SOMB amendments** – In circumstances where wording is unclear or where general rules and health service code descriptions need to be tightened, the PRC will recommend amendments to Alberta Health. These will be carefully considered, discussed with sections, and monitored post-implementation to minimize the risk of unintended consequences.

**Claims system amendments** – In some cases, rules that are clearly understood and clearly defined in the SOMB are not programmed correctly in Alberta Health’s computerized Claims Assessment System (CLASS), leading to errors in payment. When discovered, these will be brought to the attention of Alberta Health.

**D. Monitoring and further action**

After taking remedial steps listed above, the PRC will monitor claims for a period (typically six to 12 months) to see if claiming behavior has changed. Further steps may be deemed necessary such as enhanced educational initiatives, more targeted communications, and in some cases, referral to Alberta Health’s Compliance and Monitoring Branch for follow up. It is important to note that it’s generally not possible to determine if a claim is clinically appropriate from a review of claims data, nor is it in the PRC’s mandate to assess clinical appropriateness. If a billing pattern is identified that is limited to a single or very small number of physicians (fewer than can be accurately targeted with the anonymized information available), the appropriate section will be notified of the issue and asked to comment on how the issue can be best addressed in the context of other members of the section. This may include referral to the AH Compliance. Any such referrals would be done so with the understanding that there is no presumption of guilt; rather, further review outside the PRC’s jurisdiction is necessary to assess the appropriateness of the claims.

**E. Liaison with Alberta Health**

As referenced above, discussions are underway to form a billing liaison committee with Alberta Health and possibly Alberta Health Services. In addition to being a forum to discuss billing issues of mutual concern, the committee will also allow for:

- Reconciliation of any differences of opinion on how fees and rules are interpreted
- Coordination of efforts so that AMA educational activities align with AH’s audit/compliance activities
- A conduit to refer issues to Alberta Health’s Compliance Unit, when education has not changed behavior and appropriateness of claims is still in question
- An opportunity to engage Alberta Health Services in billing issues relating to work in AHS facilities
- An opportunity to provide feedback on AH audit processes and decisions

Having two committees allows the AMA’s PRC to have a separate “space” to discuss items from a peer’s perspective, while at the same time recognizing that resolution of many of the issues discussed may ultimately require the cooperation of AH and at times, AHS.
Appendix A: Outlier analysis

One of the ways in which the PRC is identifying billing issues is through analysis of outlier billing observations within a section. Sections are chosen randomly and outlying observations are identified from an annual billing perspective. The chart below shows one section of the AMA.

AMA staff explore these physicians’ claims data in depth (i.e., at the level of individual claims services) to flag any suspected anomalies. Analysis may include a multi-year analysis of a physician’s claims, as well as comparison with other physicians within the same section. It’s important to note that high payment does not necessarily correlate with questionable billing practices. Some individuals choose to work long hours or more days in a year, and their billings reflect their significantly higher-than-average workloads. Sometimes outlier billing is a result of efficiencies found in niche practices, or perhaps fee codes that are out of relativity within a section. While these are important for other work, such as intrasectional relative values, they are less of a concern for the PRC. As the AMA moves forward with its overall equity strategy, it will be looking at ways to provide sections with statistical profiles of how fees are being claimed by their members.
Some recent examples of flagged billing practice issues discussed at the PRC include:

- Excessive switching of encounter numbers to apparently circumvent some of the SOMB limits
- Billing more than could possibly be provided in a 24-hour day (e.g., evaluating against the minimum time requirements associated with various time-based fees)
- Switching skill code to apparently circumvent SOMB restrictions (note: some of this may be appropriate at times)

Once identified, the PRC’s assessment of these issues follows the process outlined in the Peer Review 101 document above.