

**APPLICATION FOR HEALTHCARE ORGANIZATION  
MEDICARE/MEDICAID BILLING ERRORS & OMISSIONS INSURANCE**

**I. INSTRUCTIONS FOR COMPLETING THIS APPLICATION**

About This Application

This Application is designed to give the Underwriters a detailed understanding of your medical billings practice and specifically with respect to Medicare/Medicaid. In order for underwriters to get a general understanding of the health care institution that is applying for coverage we would ask you to attach a copy of your application form applicable to your medical professional liability insurance cover. Section II identifies the supporting documents which should be attached to the Application. Section III is the warranty and signature portion of the Application.

Instructions

In filling out this Application, all questions should be answered completely. If a question is not applicable, answer by stating "Not Applicable" or "NA". If the answer to a question is none, state "None" or "O". If more space is needed to answer a question than is provided in the Application, attach a separate piece of paper and identify the question it responds to.

**II. COVERAGE APPLIED FOR**

1. Medicare/Medicaid Billings Errors & Omission Liability

A. Has your institution purchased any form of Insurance in respect to Medicare/Medicaid Billings Errors & Omission Liability. If yes, please specify limit purchased and underlying amounts and previous carrier or carriers..

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B. Has insurance of the type for which the Applicant is now applying ever been declined, cancelled or had the renewal thereof refused to the proposed insured: \_\_\_\_\_  
If yes, please give full details on a separate addendum.

**III. GENERAL INFORMATION**

1. Name of institution applying for coverage (Named Insured). List all subsidiaries and owned entities applying for coverage.

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2. Type of institution (e.g. Acute Care Hospital, Teaching Hospital, Community Teaching Hospital, Community Hospital)

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3. Institution's principal business address:

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4. Medicare Provider Number. Any other Medicare/Medicaid provider numbers? If so, for which entity? Please list separate numbers and corresponding entity.

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5. Who does the Medicare/Medicaid billing? Is it done centrally? Any billing done by a third party billing service? If yes, what percent is this billing of total hospital Medicare billing?

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If more than 10%, please complete the attached Supplemental Third Party Billing Application.

6. Has your institution ever used a contingency fee based billing consultant? If so, for what years and in what specific areas?

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Ownership and Operation of Institution

7. Is institution government owned? \_\_\_\_\_  
If so, identify governmental entity which owns institution:  
\_\_\_\_\_
8. Is institution publicly owned? \_\_\_\_\_
9. Is institution privately owned? \_\_\_\_\_  
A. If so, state name and principal business address of owner:  
\_\_\_\_\_  
\_\_\_\_\_  
B. State nature of private owner (corporate, partnership, individual, other):  
\_\_\_\_\_  
C. Is institution charitable or not-for-profit: \_\_\_\_\_  
D. Is institution proprietary or for-profit? Any divisions or subsidiaries for profit?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
E. Are there any plans to convert to for-profit status in the next 12 months. \_\_\_\_\_ (If yes, attach details)
10. A. Are any plans for merger, acquisition or consolidation being considered? \_\_\_\_\_  
B. If yes, what Medical billings due diligence will you perform, i.e. scrutiny of acquired company's Medicare and Medicaid billing practices?  
\_\_\_\_\_  
\_\_\_\_\_
11. Is institution managed by an independent hospital management group or similar entity? \_\_\_\_\_  
If so, identify the managing entity and if they are responsible for medial billings.  
\_\_\_\_\_
12. Does institution manage any hospitals or health care facilities for any other separate and distinct entity? \_\_\_\_\_  
If so, identify the entity for which the institution provides management services that include medical billings, and state the number and nature of facilities managed by the institution:  
\_\_\_\_\_  
\_\_\_\_\_

License and Accreditation Status of Institution

13. Is institution currently licensed by Federal and/or state government: \_\_\_\_\_  
If so, by whom is the institution licensed:

\_\_\_\_\_

14. List associations which institution is currently a member of:

- A. American Hospital Association: \_\_\_\_\_
- B. Federation of American Hospitals: \_\_\_\_\_
- C. State Hospital Association: \_\_\_\_\_
- D. American Nursing Home Association: \_\_\_\_\_
- E. Other: \_\_\_\_\_

15. Institution's total number of uncompensated or charity care. \_\_\_\_\_

16. Please detail the number of Health Information Coding personnel in your organization, in the following categories:

RRA - Registered Record Administrator \_\_\_\_\_

ART - Accredited Record Technician \_\_\_\_\_

CCS / CCS-P  
- Certified Coding Specialist \_\_\_\_\_

CPC / CPC-H  
- Certified Procedural Coder \_\_\_\_\_

Does your organization currently use non credentialed staff to perform medical billings procedures, if yes please provide the following:

The number of non credentialed staff \_\_\_\_\_

The positions they hold \_\_\_\_\_  
\_\_\_\_\_

Are coders regularly educated? \_  
\_\_\_\_\_  
\_\_\_\_\_

Do you have written policies and procedures for coders? Are they updated yearly?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The approximate split between the billings processed performed by Credentialed and non credentialed staff \_\_\_\_\_%

**IV. AUDIT EXPERIENCE**

A. Has your institution ever been subject to a medical billings audit by any entity either governmental or private\_\_\_\_\_

If yes please detail the following:

Did the audit show your organization was compliant with respect to medical billings\_\_\_\_\_

\_\_\_\_\_

Were you subject to any fines or penalties with respect to medical billings, if yes what were the total \$ amounts involved\_\_\_\_\_

\_\_\_\_\_

Did you employ the services of an independent audit company to review the findings of the audit, if yes what were their findings:\_\_\_\_\_

\_\_\_\_\_

B. Has your institution ever received a letter or subpoena from any government entity outlining the intent to audit your organization:\_\_\_\_\_

If yes, please attach a copy of the letter or subpoena to this application form:

Does your organization have any knowledge or information of any intentional act, error or omission which might give rise to a prosecution under the Federal False Claims Act? If they have no such knowledge or information, please check here: \_\_\_\_\_NONE.

**V. RISK PROTECTION INFORMATION**

1. Does the institution have a Medical Billings Compliance Officer \_\_\_\_\_
  - (a) Name, Job title, and who you report to:  
\_\_\_\_\_  
\_\_\_\_\_
  - (b) Experience and qualifications: \_\_\_\_\_  
\_\_\_\_\_
  - (c) Duties and responsibilities regarding Medical Billings: \_\_\_\_\_  
\_\_\_\_\_
  - (d) Percentage of time devoted to Medical Billings matters: \_\_\_\_\_
  
2. Do you have a compliance committee? Who is on the Committee?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  
3. Do you have a compliance program in place? If yes, when was it implemented and detail any compliance software being utilized. Does it include the oversight of Medicaid billing?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  
4. Briefly describe the procedure, if any, for identifying potential incorrect Medical Billings.  
\_\_\_\_\_  
\_\_\_\_\_  
To whom, by title, are such potential incidents reported : \_\_\_\_\_  
\_\_\_\_\_
  
5. Briefly describe the disciplinary procedure, if any, for personnel performing incorrect medical billings: \_\_\_\_\_  
\_\_\_\_\_

6. Does your organization have a “hot line”, or other reporting mechanism, where employees, contractors, third-party vendors, or community members can report knowledge or questions concerning incorrect billings procedures, or any other compliance concerns.? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

7. Are you doing internal audits? How often? Are external audits performed? How often? Do the audits include the review of Medicaid billing?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Are you using software for your internal auditing? What percent of files are audited?

\_\_\_\_\_  
\_\_\_\_\_

What internal monitoring techniques or systems are in place? Briefly explain.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**RISK IDENTIFICATION INFORMATION**

**PROFESSIONAL LIABILITY INFORMATION**

1. Institution's Total Gross Revenue:

<u>Revenue- Current Year</u>	<u>Anticipated Revenue- Next Year</u>
\$ _____	\$ _____
  
2. Institution's Total Gross Medicare Revenue:

<u>Revenue- Current Year</u>	<u>Anticipated Revenue- Next Year</u>
\$ _____	\$ _____
  
3. Institution's Total Number of Medicare Billings During

4th year previous	_____
3rd year previous	_____
2nd year previous	_____
1st year previous	_____
Current Year (est)	_____
  
4. Institution's Total Gross Medicaid Revenue:

<u>Revenue- Current Year</u>	<u>Anticipated Revenue- Next Year</u>
\$ _____	\$ _____
  
5. Institution's Total Number of Medicaid Billings During

4th year previous	_____
3rd year previous	_____
2nd year previous	_____
1st year previous	_____
Current Year (est)	_____
  
6. Institution's Total Gross Private Insurance Revenue:

<u>Revenue- Current Year</u>	<u>Anticipated Revenue- Next Year</u>
\$ _____	\$ _____
  
7. Institution's Total Number of Private Insurance Billings During

4th year previous	_____
3rd year previous	_____
2nd year previous	_____
1st year previous	_____
Current Year (est)	_____



Patient Population

1. In-Patient Exposure

- A. Number of In-Patient Beds \_\_\_\_\_
- B. Average Length of Stay \_\_\_\_\_
- C. Estimated Occupancy Rate (%) \_\_\_\_\_
- D. Estimate Percentage of Medicare Admissions  
(as a percent of total admissions) \_\_\_\_\_

Billings as a Percentage of Medicare Bills

- (1) Hospital \_\_\_\_\_
- (2) Skilled Nursing \_\_\_\_\_
- (3) Other \_\_\_\_\_

2. Out-Patient Exposure

- A. Total number out-patient bills: \_\_\_\_\_
- B. Estimated percentage of bills to Medicare \_\_\_\_\_
- C. Billing as a percentage of med bills \_\_\_\_\_
  - (1) Emergency services: \_\_\_\_\_
  - (2) Medical services: \_\_\_\_\_
  - (3) Surgical services: \_\_\_\_\_
  - (4) Laboratory services: \_\_\_\_\_
  - (5) Home Health Care: \_\_\_\_\_
  - (6) Physicians: \_\_\_\_\_
  - (7) Other: \_\_\_\_\_
- D. Total number of physicians employed \_\_\_\_\_
- E. Estimated percentage of bills to Medicaid \_\_\_\_\_

**VI. ATTACHMENTS**

Please attach copies of the following documents to the Application, as applicable.

<u>Document</u>	<u>Attached</u>	<u>N/A</u>
A. Institution's compliance, ethics or integrity plan.	_____	_____
B. Institution's most recent Annual Report	_____	_____
C. Institution's most recent financial statement	_____	_____
D. Institution's most recent 10(k) and 10(q) statement, proxy statement and Annual Meeting Notice to Shareholders	_____	_____
E. Institution's most recent JCAHO Accreditation Report	_____	_____

**VII. WARRANTY AND SIGNATURE**

The institution knows of no other relevant facts which might affect the Underwriter's judgement when considering this Application or which might be material to the Underwriter's risk.

The institution warrants that the information contained in this Application is true, that the information contained herein constitutes representations made to the Underwriters.

The institution acknowledges that signing this Application does not bind the institution or the Underwriters to accept or complete the insurance or issue coverage.

If the information supplied on this application changes between the date of this application and the effective date of the insurance, the undersigned will immediately notify Underwriters of such changes, and Underwriters may withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
 Name  
 \_\_\_\_\_  
 Title

**Supplemental Third Party Billing Application**

Are third party billers independent of the Hospital? Does Hospital have any ownership in third party billers?

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Does the third party biller get paid per claim or on a percentage of billing?

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What Hospital services does the third party biller bill?

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Does third party biller perform billing only, or coding and billing?

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Is third party biller accredited?

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Is there a standard of conduct established with biller which includes written policies and procedures?

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Please attach a copy of the Hospital's contract with the third party biller.

Are third party billers managed by Hospital's Corp. Compliance Program?

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Are they audited at least yearly by the Hospital or an agent of the Hospital?

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Are medical records kept at Hospital or Billing Facility? Are they in fire proof protection? Has this been audited (retention and storage)?

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