



**Vice President and Chief Executive Officer of the Medical Center**

**MEDICAL CENTER POLICY NO. 0016**

A. SUBJECT: Medical Record/Billing Audit

B. EFFECTIVE DATE: October 1, 2012 (R)

C. POLICY:

The University of Virginia Medical Center routinely permits charge audits by insurers or payors, provided they agree, in advance, to abide by the procedures set forth below. Unless otherwise provided in a contract between the Medical Center and the payor, this Policy applies to all payors and/or their representatives.

D. PROCEDURE:

1. The University of Virginia Medical Center must receive the payor's pre-payment of 95% of total charges before an audit is scheduled.
2. Audits shall not be permitted on accounts that that have already been reviewed by third party agencies (generally referred to as pricing companies) working on behalf of the payors.
3. The 95% pre-payment must be paid and the audit scheduled and completed within three (3) months after the patient's discharge.
4. Audit fees, unless prohibited by contract with that payor, will be collected from the payor upon completion of the audit and are assessed as follows:

<u>Amount of Bill</u>	<u>Audit Fee</u>
\$100,000 or less	\$175.00
\$200,000 - \$300,000	\$225.00
\$300,000 - \$400,000	\$250.00
\$100,000 - \$200,000	\$200.00

5. On site audits are by appointment only.
6. Off-site audits are permitted when the following additional requirements are met:
  - a. Justification for the off-site location is presented to and approved by the Medical Center audit coordinator; and

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- b. \$300 pre-audit fee is paid, in addition to copy fees paid to the Health Information Services.
7. A pre-audit interview must be scheduled with the Medical Center audit coordinator, the purpose of which is to establish the specific scope of the audit.
8. A post-audit interview must be scheduled with the Medical Center audit coordinator, the purpose of which is to review the specific findings of the auditor.
9. A scheduled phone interview, at the payor's expense, will be utilized in the event the pre-audit and post-audit interviews are conducted off site.
10. It is the payor's responsibility to furnish their third party auditors with copies of the hospital bills pertaining to the audited account.
11. An authorization signed by the patient permitting review of medical records for the purpose of auditing charges must be provided at commencement of the audit. The authorization must name the payor and/or audit firm along with the dates of service for the account to be reviewed.
12. Notwithstanding anything above to the contrary, in the event a patient has elected to opt out of insurance billing for specific services and instead pay the Medical Center at the time of service, the Medical Center shall not permit the audits described herein.
13. Within 30 days after conclusion of the audit, a final written report denoting the audit findings of both undercharges and overcharges will be submitted by the payor to the Medical Center audit coordinator, who will then have an opportunity to review and respond to the findings. Within 30 days after receipt of the final written report, the Medical Center will be permitted to submit additional documentation beyond the medical record, including but not limited to nursing protocols, standard hospital practices, departmental records and/or logs, to resolve charge substantiation issues.
14. The Medical Center will bill any undercharges identified as a result of the audit.
15. The final Medical Center bill amount will be amended to incorporate agreed upon over charges and under charges.

Payment in full of the payor's remaining financial responsibility will be made within 15 days of the audit close.

E. CONTACT:

Medical Audit Coordinator  
P.O. Box 800778  
Telephone: (434) 924-9776

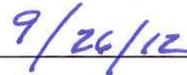
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SIGNATURE:



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R. Edward Howell, CEO, UVA Medical Center



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DATE:

Medical Center Policy No. 0016 (R)

Approved October 1989

Revised September 1990, September 1991, July 1992, September 1998, September 2002,

November 2004, December 2007, September 2009, September 2012

Reviewed July 1995

Approved by Associate Vice President, Business Development and Finance

Approved by Medical Center Administration