

THE BEGINNERS GUIDE TO MEDICAL BILLING, MEDICAL CODING & MEDICAL TRANSCRIPTION



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SECTION I: OVERVIEW

Time for a New Career?

In talking to the many people who contact us each month interested in career training, we are hearing grave concerns about the economy, finances, mortgages, and job losses. Many are feeling a need to change careers because of massive lay-offs and job losses in their chosen professions.

Two major areas that seldom encounter recession and are not overly affected by economic problems are the medical and the legal field. No matter what else is happening in the world, people still get sick or hurt, and require health care. The same is true to some extent in matters of law. People just keep suing each other for a variety of reasons. The government keeps on adding new regulations that require legal interpretation and support.

If you are concerned about the stability of your job, then it would be wise to consider training for a career in the medical or legal field. Medical transcriptionists, medical coders and billers, paralegals, and legal transcriptionists are needed everywhere and as the population increases and ages, the expanded need for more professionals follows. Pick up your local newspaper and read the classified ads. You'll see what we mean. The best news is that these careers may be launched from home and managed as your time allows, even to include starting your own business. Does it make sense to start a business in a weak economy? Yes, it does and this is a basic key that will stimulate and correct a failing economy. It's small business that makes the economy in this country strong. Starting a medical or legal business at home may just be the catalyst that takes you from worry to financial security and abundance. The choice is yours. Either a job or a business works!!

Recession and Healthcare Jobs

According to Tom Barry of the Atlanta Business Chronicle the healthcare industry is less affected by recession. He quotes the University of Georgia's Economic Outlook 2002, stating "Health services typically are viewed as necessities, which consumers are very reluctant to forgo or even postpone, even during hard times," due to the fact that people need healthcare and they hesitate to cut back on that even when things are not good, therefore, jobs in healthcare are for the most part stable through recessions. This does not mean, however, that the healthcare industry will not feel a recession to some degree. Bringing on extra staff or starting additional projects like new wings of a hospital, wage freezes, or extra employee benefit plans may be things that would be affected during a recession. Hospitals or doctors' offices may be inclined to work with the least amount of staff possible, but there will continue to be a need for qualified healthcare and support personnel in both the good and bad economic times.

It is always a wise idea for an individual to think ahead and have a plan in place should a job loss occur for any reason. Gaining new and additional skills especially during a recession is a smart idea. A medical transcriptionist would be wise to cross train into medical coding or billing. A medical coder or biller would be smart to obtain training in medical transcription. The more varied skill sets one has to fall back on, the less chance of floundering during an unexpected job loss. Additionally, enhancing your skills is a smart idea in case you ever want to launch out on your own and start your own business. If you can transcribe the medical record, then code it, then bill it, you have the capacity to triple your income. Many people today find themselves in jobs that are not what they have their college degree in. Last week, I read a post on a message board from a woman who had just completed her master's degree in counseling and has been unable to find a job in her field. It was suggested she begin looking for work using her degree in another capacity like the human services field for now. In my opinion, even more important than having money in the bank during a recession is having a large repertoire of employable job skills.

Three Tips to Optimize Online Learning

With the advent of online learning, it is prudent for the adult learner to understand how to optimize their online learning experience. Many times adults find “reading” from the computer to be different than holding a book in their hands to read. However, by following a few tips to optimize your learning, it will be easy to take advantage of the online learning experience.

Tip #1: Go at your own pace! You don’t have to keep up with a class that is moving too fast for you or wait for a class that is moving too slow. So, when you find that you understand a chapter, move forward onto the next. Conversely, if you find that you just did not quite understand a particular chapter or unit, redo it. Take your time. This is a huge advantage of self-paced online learning opportunities.

Tip #2: Takes notes! Since many online programs do not provide hard copy materials, you will want to have a notebook handy and take notes on important key points. This is just like taking notes during an in-person class lecture. Additionally, typing your notes into a more organized form using word processing software is a great way to organize them, and to assist in memorizing the information.

Tip #3: Redo and Print Quizzes! Many online courses and web-based programs have a print feature. You don’t want to print the whole course or you’d quickly run out of paper and printer ink, but printing quizzes is a great way to supplement your notes and have a “hard copy” to study from. Also, the great thing about online self-paced study is that you can go back and redo quizzes. Do them until you are scoring high and understand the material completely.

The adult learner going back to school to learn will find online learning different than traditional learning because it is self-paced without the constraints of a classroom full of people. Additionally online learning is different because much of the material you will read and study online, and the interaction you will have with your instructor will be limited to E-Mail questions. However, taking advantage of the tips in this article will ensure both your success and enjoyment.

Tips for Learning Medical Terminology

Learning medical terminology can be as frustrating and fun as learning a foreign language. Usually the way medical terminology is taught is that one first learns prefixes, suffixes, and root words, then one goes on to learn a myriad of medical terms. It can be overwhelming to take in all of this new information, and most medical terminology courses are relatively short in duration, so one must learn quickly.

The key to learning medical terminology is memorization. There is just no softer or easier way. Of course, after you learn your prefixes, suffixes, and root words, it is easier to figure out medical words you've never heard before. Some shudder at the word "memorize." However, memorization can be interesting and fun. There are many different techniques one can use to memorize.

A simple way to memorize medical terminology is to buy a pre-made flash card set. There are many sets consisting of 1,000 cards for under \$15. One method of working with the cards that is helpful is to rubber them in groups of 20 and work with 20 at a time. The key to any study session is to review your last set of 20 cards, then review all your previous cards, and then set out to learn your next 20 cards. Quiz yourself and ask a friend to quiz you on your card sets. Review and quiz until you are getting them 100% correct every time. Then, it's time to learn a new set of 20 cards. Some people like to make their own flash cards using 3x5 cards. This process is helpful because you also learn by writing. You write the word on one side, and the meaning on the reverse side.

Another simple technique used to memorize is to divide your paper into 2 columns (where you can fold the page in half horizontally). You write or type the word in one column and the definition in the second column. Print your sheet and fold it in half, and then quiz yourself.

Many people who are kinesthetic learners (learn by touching and using their hands) will learn best by writing or typing the words and definitions over and over. Maybe printing their list, and using a highlighter pen to highlight the ones they get wrong, and to study those in more detail.

Learning medical terminology can be fun rather than frustrating if one is just a little creative in the learning process. Find a study buddy and quiz each other. Also, in your daily life think about the words you are learning and apply them in the real world. For example, when you go for a walk, you may think to yourself- what muscles am I using, what are the names of those muscles? Applying terminology to your real life assists you in having a better understanding of it and makes retention easier. Lastly, remember that practice makes perfect. The more you study, the faster you will learn.



Self-Employment- Rules and Regulations

What is an employee? (W-2)

The usual definition for tax purposes is an individual hired on who is paid by the hour, week or month, with taxes (Medicare, Social Security, personal tax, [federal, state and local]) withheld by the employer and paid over to the appropriate entity. The income is reported on a W-2 form. A 1040 of whatever version is used to file taxes.

Statutory employment: (W-2)

Statutory employment is also reported on W-2 forms. They are typically outside employees or home workers. Social Security and Medicare are withheld from their pay. Statutory employees report their wages, income, and allowable expenses on Schedule C (self-employment form) and the net income is reported on Form 1040. Statutory employees are not liable for self-employment tax because their employers must treat them as employees for social security tax purposes.

Contractors and subcontractors: (1099)

These terms refer to people who are self-employed. They are responsible for their own taxes, including Social Security and Medicare. Their income is reported on Schedule C. The net after the income and expenses is the amount used to calculate the self-employment tax. Some of these people receive a 1099 form for their work effort (typical for transcriptionists).

If you are in business for yourself, or carry on a trade or business as a sole proprietor or an independent contractor, you generally would consider yourself a self-employed individual. You are an independent contractor if the person for whom you perform services has only the right to control or direct the result of your work, not what will be done or how it will be done (this subject is fraught with interpretative arguments relating to home-based workers).

A good example of the controversy between those who employ contractors (and subcontractors) is found in the February 2008 issue of the Kiplinger Letter, "The IRS is after firms that is classifying workers as contractors. It is unveiling an electronic matching system to identify companies that issue 1099s with payments of at least \$25,000 to five or more workers who do not have any other sources of earned income. That will trigger audits this year to determine if the contractors should be paid as employees."

Given the trend toward utilizing independent contractors for provision of services, industry business owners and transcription service providers would be well advised to research and ensure compliance in this area. To learn more, visit:

www.kiplinger.com

www.irs.gov

If you decide to pursue self-employment or are growing your business to bring on employees or contractors it is important to you take the time to fully understand the legal requirements. You may wish to consult an accountant to assist you with this process (they are not as expensive as you might think and are well worth the peace of mind from knowing that you're not exposing yourself to tax liabilities).

Tips and Requirements for Self employment:

Identification Numbers:

You must have a taxpayer identification number to operate a business. This is generally the social security number, or an individual taxpayer number. However if one has employees an Employer Identification Number is required (and is usually good to have anyway).

A Taxpayer Identification Number (TIN) is an identification number used by the Internal Revenue Service (IRS) in the administration of tax laws. It is issued either by the Social Security Administration (SSA) or by the IRS. A Social Security number (SSN) is issued by the SSA whereas all other TINs are issued by the IRS.

Social Security Number SSN

Employer Identification Number EIN

Individual Taxpayer Identification Number ITIN

A Individual Taxpayer Identification Number (ITIN) is a tax processing number issued by the Internal Revenue Service that always begins with the number 9 and has a 7 or 8 in the fourth digit, example 9XX-7X-XXXX.. These are issued to individuals who are required to have a U.S. taxpayer identification number but who do not have (and are not eligible to obtain) a Social Security Number (SSN) from the Social Security Administration (SSA).

How to Get an EIN number:

On-Line: The Internet EIN application is the preferred method for customers to apply for and obtain an EIN. Once the application is completed, the information is validated during the online session, and an EIN is issued immediately. The online application process is available for all entities whose principal business, office or agency, or legal residence (in the case of an individual), is located in the United States or U.S.

Territories. The principal officer, general partner, grantor, owner etc. must have a valid Taxpayer Identification Number (Social Security Number, Employer Identification Number, or Individual Taxpayer Identification Number) in order to use the online application.

By phone: Taxpayers can obtain an EIN immediately by calling the Business & Specialty Tax Line at (800) 829-4933. The hours of operation are 7:00 a.m. - 10:00 p.m. local time, Monday through Friday. An assistor takes the information, assigns the EIN, and provides the number to an authorized individual over the telephone.

Filing Requirements for the Self-Employed:

As a self-employed individual, you may be responsible for completing multiple tax forms, depending on your type of business. Self-employed individuals, sole-proprietors, independent contractors and persons who have net earnings of \$400 or more are required to pay self-employment tax by filing Schedule SE (self-employment) attached to their Form 1040.

As a self-employed individual (someone who owns an unincorporated business) or an independent contractor, you are required to report income and expenses on a Schedule C. Your net profit may be subject to SE tax. You must file a completed Schedule SE attached to your Form 1040, U.S. Individual Income Tax Return.

As a member of a partnership that carries on a trade or business, or as a member of a Limited Liability Company (LLC) that chooses to be treated as a partnership, your distributive share of its income or loss from that trade or business is included in your net earnings from self-employment. These entities must report the business income and expenses on Form 1065, U.S. Return of Partnership Income, along with a Schedule K-1 reporting each partner's net income or loss. You must file a completed Schedule SE attached to your Form 1040, U.S. Individual Income Tax Return.

Operating a Business

Learn about the various responsibilities associated with operating your own business. You will find many topics, such as: types of business taxes that may apply, how to structure retirement plans for your employees, deducting the cost of running your business, and much more at the IRS website (and your state government website).

What Expenses can be Deducted?

Business expenses are the cost of carrying on a trade or business. These expenses are usually deductible if the business is operated to make a profit. To be deductible, a business expense must be both ordinary and necessary. An ordinary expense is one that is common and accepted in trade or business. A necessary expense is one that is helpful and appropriate for your trade or business. An expense does not have to be indispensable to be considered necessary.

It is important to separate business expenses from the following expenses:

Cost of Goods Sold includes:

- Capital Expenses
- Certain Personal Expenses

If your business manufactures products or purchases them for resale, you generally must value inventory at the beginning and end of each tax year to determine your cost of goods sold. Some of your expenses may be included in figuring the cost of goods sold. Cost of goods sold is deducted from your gross receipts to figure your gross profit for the year. If you include an expense in the cost of goods sold, you cannot deduct it again as a business expense.

The following are types of expenses that go into figuring the cost of goods sold:

Cost of Goods Sold Expenses:

- Cost of product or raw materials, including freight
- Storage
- Direct labor costs (including contributions to pensions or annuity plans) for workers who produce the products
- Factory overhead (if you do it at home, that's your factory)

Under the *uniform capitalization rules*, you must capitalize the direct costs and part of the indirect costs for certain production or resale activities. Indirect costs include rent, interest, taxes, storage, purchasing, processing, repackaging, handling, and administrative costs. This rule does not apply to personal property you acquire for resale if your average annual gross receipts (or those of your predecessor) for the preceding 3 tax years are not more than \$10 million.

Capital Expenses: You must capitalize, rather than deduct, some costs. These costs are a part of your investment in your business and are called capital expenses. Capital expenses are considered assets in your business. There are, in general, three types of costs you capitalize.

Capitalized Assets:

- Business start-up cost (filing fees, cost to organize your business entity, etc.)
- Business assets (you can amortize [depreciate] start up costs).
- Improvements

Personal versus Business Expenses:

Generally, you cannot deduct personal, living, or family expenses. However, if you have an expense for something that is used partly for business and partly for personal purposes, divide the total cost between the business and personal parts. You can deduct the business part. For example, if you borrow money and use 70% of it for business and the other 30% for a family vacation, you can deduct 70% of the interest as a business expense. The remaining 30% is personal interest and is not deductible.

Business Use of Your Home:

If you use part of your home for business, you may be able to deduct expenses for the business use of your home. These expenses may include mortgage interest, insurance, utilities, repairs, and depreciation.

Business Use of Your Car:

If you use your car in your business, you can deduct car expenses. If you use your car for both business and personal purposes, you must divide your expenses based on actual mileage.

Other Types of Business Expenses:

- Employees' Pay - the pay you give your employees for the services they perform for your business.
- Retirement Plans - Retirement plans are savings plans that offer you tax advantages to set aside money for your own, and your employees', retirement.
- Rent Expense - Rent is any amount you pay for the use of property you do not own. In general, you can deduct rent as an expense only if the rent is for property you use in your trade or business. If you have or will receive equity in or title to the property, the rent is not deductible.
- Interest - Business interest expense is an amount charged for the use of money you borrowed for business activities (don't forget credit cards).
- Taxes - You can deduct various federal, state, local, and foreign taxes directly attributable to your trade or business as business expenses.
- Insurance - Generally, you can deduct the ordinary and necessary cost of insurance as a business expense, if it is for your trade, business, or profession.
- Equipment (some must be amortized)
- Supplies
- Telephone and Internet services

As you can see, it is important to be informed about how to conduct your business and, if pertinent, how to contract for work from others.

SECTION II: MEDICAL TRANSCRIPTION CAREERS

What Does a Medical Transcriptionist Do?



Medical Transcriptionists type doctors dictation in order to create the legal document called the patient medical record. Medical transcriptionists must understand medical terminology across a variety of medical specialties. Additionally, medical transcriptionists must have excellent English Grammar skills and enjoy sitting at a computer for long periods of time typing.

Specifically, the medical transcriptionist (MT) listens to the audio dictation of a doctor, and then transcribes that information into a medical report understanding how to format the reports, what headings to use, when and when not to use abbreviations, are all a part of the skill set to be an MT.

Medical Transcriptionists typically work at home; however, some may work in a hospital transcription department. Work is downloaded from the doctor's (or MT service) computer (server) as a WAV file and then transcribed using a foot pedal and WAV player software. Then, the transcribed work is usually sent back to the doctor via a secure method such as file transfer protocol (FTP). FTP software is easy to find on the Internet for free and is not difficult to figure out how to use.

Medical transcriptionists may work either full-time or part-time. It is a very flexible career. Some company's allow you to download your work every morning and then transcribe it whenever you want to as long as you have it back to the company within their turnaround time (TAT) which is usually 24 hours.

The pros of this career choice are that one can work at home, which saves on expenses such as childcare, commuting, and lunches out. Also, a mother can be home with their children. The money is pretty good at \$18 to \$20 an hour (more detail on how MTs are paid in another chapter), and the flexibility of being able to work a few hours in the morning, a few in the afternoon, and some at night offer MTs a very satisfying lifestyle.

MT is an exciting career that will challenge you. You will be part of the healthcare team. Additionally, training time and expense is comparatively short compared to other careers that would net the same income amounts. The cons of this career choice are that one must become good at it to make money. An MT must be a fast AND accurate typist. Production typing in front of a computer for long periods is not for everyone. MT is very detail oriented, and good spelling and Grammar are a must. Some have concerns that some of the MT work has gone overseas or that technology is phasing out the MT. This is just no so. Work is going overseas but there is so much work that it is not difficult for a well trained MT to find work. Technology has changed the field some, and some MT work is now doing editing for voice recognition, but the Occupational Outlook Handbook put out by the government states that the field is expected to grow through the year of 2016.

Money Money Money



Most people considering MT as a career choice quickly want to know the bottom line-how much can I make? Let us take a look at how MTs are paid.

MTs are paid on a production basis. Many MTs are paid by the line and some by the word. Let's look at some figures to understand how MTs are paid:

Pay per line	# of lines typed per day	Pay per day	Pay per week
.08	800	\$64.00	\$320
.08	1200	\$96.00	\$480
.09	1200	\$108.00	\$540

The above chart gives the going rates for working for an MT service. These are very reasonable figures. Now, you will want to know how long it will take you to type 800-1200 lines in a day. In the beginning, a new MT takes about 4 hours to type 1 hour of dictation. How many lines are in an hour of dictation is hard to tell because it depends how fast the doctor is speaking. Traditionally speaking, an average MT can type 200 lines per hour. A fast MT can type 300-400 lines per hour using productivity tools like word expander software, spellcheckers, macros, templates, etc. So, let's take the 200 lines per hour as our base, so 1200 lines can be typed in about 6 hours. A faster MT may take 5 hours to type that amount. Many MTs are able to type 1500 lines in a day and if you figure that they are making about 8.5 cents per line that is \$127.50 per DAY. Now, you will not be able to type this much or this fast when you first start out. Most new MTs type about 800 lines in 5 ½ to 8 hours. This is because you have to look up and research a lot of terminology. After you get used to the account you are on, and the doctors that you transcribe for, you will pick up speed quickly.

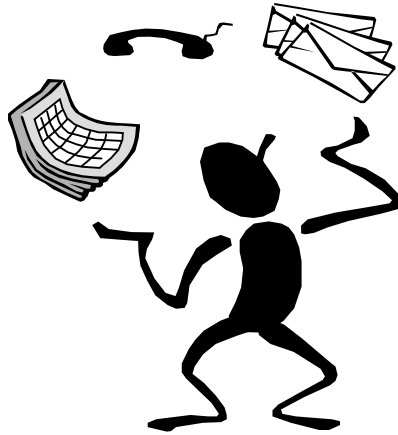
The name of the game with MT is to have a solid educational foundation which to build on. As you, gain speed, you gain income. Because production typing can be stressful, many MTs goal is to make full-time money working part-time hours. If you can get your speed up to 200 lines per hour (and that is EXTREMELY do-able) and you work 5 hours a day at .09 cents a line, you will earn \$90.00. If you can raise your speed to just 225 lines per hour, then you'd make \$101.25 per day for just 5 hours worth of work.

If you decide to get your own accounts, then you cut out the middle man- the MT Service- your income goes up by a lot. Let us take a look.

Pay per line	# Lines per day	Pay per day	Pay per week
.12	800	\$96	\$480
.12	1200	\$144	\$720
.13	800	\$104	\$520
.13	1200	\$156	\$780

The above figures in the chart are not inflated, and are in fact lower than what is currently happening in the industry right now. The money above looks pretty good, but it would irresponsible not to mention that having your own accounts is also enduring some headaches as well. You would need to have someone cover you, if you are sick, on vacation, etc. If a report needed to be typed immediately, you'd have to stop whatever you were doing and type it. Again though, keep in mind that an average MT can type 800 lines in about 4 hours, and 1200 lines in about 6 hours. This puts a whole new spin on the above figures because you will clearly see that you are working part-time making an extremely good income. Have you thought about what you'll do with all that FREE time? Spend more time with your kids, the family dog, grab a nap? Sounds nice, doesn't it? Plus, you can do this work in your pajamas if you choose to 😊.

Skills Needed to Become a Medical Transcriptionist



We've already discussed that MTs need to have good typing skills, excellent English grammar skills, and thorough training. An MT also needs to enjoy doing research. Sometimes deciphering difficult dictation is like solving a puzzle. Let me give just one example. If you heard "homoto," it would be very confusing as no such medical word or jargon exists. However, after some research and careful thinking, you realize that you are hearing two words together and it is home O2 as in home oxygen. An MT should enjoy learning new medical words, procedures, instruments, and more details about the specialty they transcribe. This ultimately assists in becoming a faster and more efficient MT. Additionally, MTs need to enjoy learning about technology. MTs use different types of software to send and receive dictation, they use word processing software like MS Word, and productivity tools like word expander software which allows you to type a few letters and hit a key and the entire word appears (more about this later). The more you know, the faster you will become and more money you will make. In MS Word, learning how to create macros, templates, etc will assist you getting your work done faster.

An example of a productivity tool that MTs use is word expander software. Instead of typing esophagogastroduodenoscopy 100X a day, there is software you can buy that allows you to type in abbreviations for words. Example: You type esoy and esophagogastroduodenoscopy appears! It takes having a good system to form abbreviations, perseverance to add them into your expander program, and practice in using them to become proficient typing this way. However, it pays off big in the end. By the way, in the above example, we used the ABCZ method for creating abbreviations. We took the first three letters of the large word (ABC) and the last letter of the word (y) to form the abbreviation. So, when want to type out the big word, I just think automatically when typing of the first 3 letters and last letter of the words and voila- it's on my screen --- that is if I entered the abbreviation into my word expander. If you'd like

to play with this idea a bit, MS Word has a feature called AutoCorrect. You access it through your Tools menu. You can practice adding a few abbreviations and words and then typing with them. However, a note of caution- MS Word's AutoCorrect feature is NOT sufficient for the work at home medical transcriptionist because it corrupts with about 5,000 entries. Many an MT has been extremely upset to find their whole file corrupted and their MS Word had to be reinstalled. I don't recommend adding over 2,000 entries to your MS Word AutoCorrect.

Training Needed to Become a Medical Transcriptionist



It cannot be stressed enough that the training you receive to start your career is imperative to your success. It is extremely difficult to make a great training choice when you are limited in knowledge about the field so careful research cannot be more highly recommended.

As in many fields, poor schools abound that teach MT. Traditionally, the schools that advertise on TV and on the back of matchbook covers are called educational clearinghouses. There is nothing wrong with what they do in offering 100s of different courses from basket weaving to auto mechanics. There are some people in this world that simply enjoy learning for the sake of learning and these clearinghouses fill a need. However, let me ask you a question- if the brakes went out on your car, would you want a mechanic from one of these schools to fix your brakes? Probably not - because you know that the quality of education was subpar. I cannot stress this point enough- MT employers do not hire from schools they know are subpar. You must choose a school that has established relationships with MT employers who hire their graduates. Choosing a school that has an internship is a GREAT idea in order to get started working quickly after graduation.

You don't need a school that costs upwards of \$3,000 to \$4,000 either! Some schools do things like toss in a whole medical reference library that you do not need in order to jack up their tuition rates. What you need is an established school that has been in business for a LONG time that offers internships, job placement assistance, and a quality program that teaches the foundation of knowledge that you will build upon for your entire career.

To be frankly honest with you many schools are falling short of producing work ready MTs.

A good MT program should include the following:

- Medical terminology
- Disease processes
- Pharmacology
- Anatomy
- Report formatting
- English grammar review
- Abbreviations, plurals, Sound-alike words
- A huge amount of dictation
- Testing throughout the program
- An internship program
- Comprehensive job placement assistance

Additionally, the school should be able to give you testimonials of successful graduates. Choose a school that has been in business a long time and has stood the test of time.

Some people ask me which is better online education or community college. For some careers the community college route may be a good idea. However, most of the MT employers know the good online schools, and online training for MT is a viable and preferable way to go. Let me explain why. The dictation used to train an MT is very important. Most community colleges use the least expensive dictation because every student has to buy it. The least expensive dictation is also too easy, not varied enough, and it doesn't contain enough of it. Online schools have either developed their own dictation, or use a higher-end from a reputable source. Now, the subpar schools mentioned above, mostly use the Hillcrest or Forrest tapes, both of which are too easy. Some use a book called MT Fundamentals and Practice, which is nice as "part" of a dictation program but if that's all they've got, it simply not enough.

Learning MT and tuning your ear to hear and understand the dictation takes a lot of practice and it's not easy. You cannot shortcut your way through the process because you'll just end up failing once you get in the workforce. SCHOOL CHOICE IS EXTREMELY IMPORTANT. Choose wisely. Avoid the pitfalls of bad decisions.



The Medical Transcription Job Market



It would not make sense to train for a dying career or one that wasn't projected to grow in the future. The Occupational Outlook Handbook (2008-2009) states that medical transcription is a growing career through 2016 (<http://www.bls.gov/oco/ocos271.htm#outlook>). MT is a solid and growing career. There is some outsourcing of work going to other countries but the work from those countries is poor and US MTs are needed to edit the work. Additionally, there are more jobs in the US for MTs than MTs to fill the jobs. It's a great time to enter this profession.

Jobs are found through the various MT job boards like www.mtdaily.com and www.mtjobs.com. Most "good" online MT schools have established relationships with MT employers eager to hire their graduates. It is important to STRESS that there is a lot of work available for QUALIFIED and well trained MTs. On many MT message boards you will hear some bemoan they cannot find work but these are ones NOT passing basic employment tests. Remember, creating that solid educational foundation by choosing an EXCELLENT training program is the first step to reaching your goal of being a work at home MT.

Additionally, as the baby boomers age, more jobs in all of the healthcare fields will be growing and needing people. NOW is the time to get in on it and start your career right away.

Working for a Service vs. Own Accounts



As mentioned above, there are two ways to make money as an MT. One is working for an MT service, and the other is soliciting for your own accounts. Working for a service has its benefits in that you just tell them when you want to go on vacation and they find someone to do your work while you are gone. You don't have to have direct communication with the clients and don't have to worry running your own business. However, you can make more money by getting your own accounts and doing them yourself or getting several accounts and hiring independent contractors to help you do the work. It's really up to you, but many MTs start out working for a service to gain some experience and to have some QA (quality assurance) help before launching out on their own.

Additionally, when working for a service, you can either be an independent contractor or an employee depending on how the company hires you on. Most MTs are independent contractors. Independent contractors are given a 1099 form at the end of the year that indicates your earnings. You are free as an IC to work for one that one service at a time. Additionally there are legal guidelines on how and IC is different than an employee. ICs don't get company benefits, taxes are not withheld from their checks, and they cannot be told how to do the work. Employees though may be offered health insurance benefits and can qualify for unemployment if let go from the company. There are pros and cons of both situations. Most MTs like the freedom associated with being an independent contractor. As an IC you also have many possible tax write-offs by working at home. Some possible expenses that could be deductions are part of the rent or mortgage on your home, part of your utilities, your Internet and/or telephone bills, office supplies, computer equipment you buy or maintain for your job, and in some cases if you must obtain health insurance independently, you may be able to write off the cost of your premiums. Also, if you are going to make a substantial amount of money, ICs should pay in estimated quarterly taxes. Blank vouchers can be printed off the irs.gov website. A good amount of set aside from each check per year is about 30%. The following year, you'll have a better idea of your tax deductions, earnings, and what you will owe and can adjust that figure accordingly. Remember that ICs do have to pay self-employment tax.

It is best to contact a tax professional when starting out as an IC to advise you of what type of deductions you may qualify for and to save receipts, and to set you up on estimated tax payments. This really isn't nearly as complicated as it may sound. After your first year, it's a breeze. Some IC MTs have their spouses that have traditional employment up their withholdings and claiming married but withhold at higher single rate to offset some of the taxes that will be owed at year's end. Again, it is best to consult with a good tax professional regarding these issues.



Tips for Choosing a Great Medical Transcription Training Program

Many people today are looking for ways to be able to work at home and still make good money. Many women wish to work at home to save on the expense of childcare. Many men now want to work at home to save on commuting expenses, lunches out, and the corporate rat race. Medical transcription is a wonderful career choice for those who wish to work at home, have a great career that uses their mind, and that can be achieved in a relatively short period of time. The problem is that there are a lot of scams out there, subpar training program and false information. So, how do you know what you do not know when it comes to choosing a good program for your medical transcription training? You need someone who's been in the business for many years to give you some good information and tips on choosing a great program. Below you will find a series of tips on how to choose a great medical transcription training program.

Tip #1. Look for an established school that has been in business at least 7 years or more. Being in business and developing a good reputation over time is a good indication that the program is solid.

Tip #2. Ask for testimonials of those who have graduated from the program and are working.

Tip #3. Make sure that the school offers REAL job placement assistance and/or an internship program to assist you in making the transition from student to work.

Tip #4. The most expensive doesn't mean it's the best. It just means it's the most expensive. A good MT program should not cost more than \$2,500.

Tip#5. It's a great idea to choose a school that also offers training in medical coding and billing so that you have the option to cross-train if you so desire.

Tip #6. Stay away from schools offering huge specials and discounts. That means they are hurting for enrollments and may not be financially stable.

Tip #7. Stay away from schools that advertise on television and also offer courses in auto mechanics and basket weaving. Employers traditionally do not look fondly on these schools and steer away from hiring their graduates.

Tip #8. Make sure the program has a lot of good dictation practice and teach you medical terminology, disease processes, anatomy, report formatting, and has a student forum and office number and E-mail address for your questions.

Tip#9. Steer clear of high-pressure strong sales tactics. Good schools don't need to resort to these to get you to enroll.

Tip #10. Choose a school that doesn't throw in 1,000 different books to jack up your tuition costs. You can buy what you need and only what you need when you need it. This is a tactic that some schools use to validate astronomically high tuition courses.

Choosing a good medical transcription takes a lot of research, asking the right questions, and being a good and educated consumer. Spend your money wisely and make sure that the program you choose is prepared to give you post-graduate support in finding your first job or that has an internship program to assist you in getting started. Medical transcription is a wonderful career choice, but one must be prudent when choosing a school for their training.

Medical Transcription- Is it for you?

When people hear that I work at home in the medical transcription field, I'm frequently asked "how can I work at home and type too!" They are both enthusiastic and under the delusion that "anyone" can be an MT – after all, it's just a typing job. Thinking like this usually makes the seasoned MT cringe. However, we can't expect people outside of our profession to fully understand what it is we do, the skill set needed, and the importance and significance of our job. Medical transcriptionists do much more than just "type." So, what do MTs actually do and is it you?

Medical transcriptionists take the audio dictation from a doctor and transcribe it to create the legal patient medical record. They must have a detailed understanding of medical terminology across a wide variety of medical specialties as well as a good understanding of anatomy, disease processes, laboratory medicine, and pharmacology. Why does an MT need to understand all these things? It is because medical transcriptionists must translate what they hear into correct words and coherent sentences that make sense. There are many words that sound alike and if an MT doesn't have a good working knowledge of medicine, then it would be easy to type the wrong word and not know if something wasn't heard correctly. Additionally, sometimes even doctors make mistakes like starting out talking about the metacarpal injury and ending with the metatarsal injury. An astute medical transcriptionist can pick out these inconsistencies and fix them so that the patient medical record is correct.

The medical transcriptionist's job is very important because errors could cost a patient their life. For example, there is a huge difference between 0.5 mg and 50 mg. A typo such as this combined with a doctor in a very busy practice not catching it could mean an incorrect dosage of medication being prescribed to the patient. Additionally, MTs have an important role in healthcare documentation because the medical record is a legal document and must be accurate. If a doctor is called into court to testify about a treatment, protocol, or any number of things, having an accurate transcription of the patient's record is imperative.

Is medical transcription for you? Medical transcriptionists sit at their computer for long periods of time, and it is a highly detail oriented job. It is a production based job so both speed and accuracy are very important. MTs must reference what they don't know. If they come upon a particular word, procedure, instrument, lab value, etc that they are unfamiliar with, they will need to use medical reference resources like books, Internet, and other available references to find what they need. MTs after about a year of

experience do make very good money of \$18-\$20 an hour with some MTs making much more than that. MTs must have impeccable English grammar and spelling skills. Usually MTs have a flexible schedule and have the option of getting their own accounts or working for an MT service. MTs usually work at home but some do work in a doctor's office or hospital transcription department. The work at home aspect of this career choice is very appealing to young mothers who wish to stay home with their children. Over 80% of transcription nationally is now done from home offices. If these job specific requirements sound enjoyable to you, then possibly MT is a career choice worth pursuing.

Helpful Tips



In this section you will find a collection of interesting tips about medical transcription, working at home, organizing your home office, and other interesting information. Enjoy!

Working at Home and Making it Work

In today's world many people are now making their home space, also their workspace. With the rising cost of commuting to work, and desire to avoid the corporate rat race many are going home to work. Whereas many individuals find working at home very satisfying, some are finding it quite stressful due to the unique demands placed on home workers today. This article is about working at home and making it work. By adhering to a few simple tips, working at home can be an enjoyable experience.

Tip #1. Boundaries. There is nothing more important to successfully working at home as setting healthy boundaries with family, kids, and neighbors. Some people feel that since you are working at home that you are not really working. Therefore, they do not hesitate to call or stop by during your working hours. You must tell family and friends the hours that you work and not accept interruptions during your work hours. If a family or friend calls or stops by, you must be able to tell them that you are working right now and can talk to them after work. If family members make demands on you during your workday, you must be strong enough to set boundaries and explain that you'd like to assist them but it must be after your work is done.

Tip #2. Children. You must organize your time around your children that are at home. Some people choose to work two hours before their children get up, and an hour while they nap, and then two hours after they go to bed. Other people choose to hire a teenager to come in and entertain their kids while they work. If you have older children, they should be taught to be somewhat independent during your work hours

Tip #3. Discipline. Being your own boss is great, but it's really easy to be too nice to yourself and put off work for a nap, or having fun. Yes, you have more flexibility for these things when working at home and that is a benefit to being a home worker, but you must be disciplined and follow a schedule to make sure you that you get enough work done.

Tip #4. Telephone. If you cannot make family and friends understand that you are actually "working" at home, then it is suggested to take your telephone off the hook when working. Have a business telephone number and a family home number. When working, take your family home number off the hook and turn off your cell phone. If you have children that you fear may need to call, you can use the caller ID feature to avoid unwanted calls. Also, if you are working and someone drops by, don't answer the door. You really have to be firm in your resolve to set and keep these boundaries or you will not be able to get a sufficient amount of work done and will be plagued with feelings of being overwhelmed.

Organizing Your Home Office

By following the tips noted above, you can have a successful home work environment, make money at home, and still enjoy the flexible schedule that home workers enjoy so much. Working at home is not always easy, and it does take planning, creativity, discipline, and the ability to set firm boundaries with family and friends. However, it can be both a lucrative and satisfying way to balance both work and family needs.

Many people have such disorganized home offices, and it really can affect your efficiency and overall quality of work. Have you ever searched for an hour for a document just to find it under a stack of papers? Worse yet, have you ever been in the position of having accidentally tossed out something important? Having an organized and tidy home office is the foundation for a smooth running business and avoiding organizational problems and issues. Organizing supplies, using folders and file cabinets, and working from a "To Do" list, and ergonomically designing your office are all helpful ways to make your office efficient.

Using folders and files to organize your home office is essential to good home office management. This is a very easy process. You do not need a complicated filing system to be effective. You should start with a filing cabinet and manila file folders. You can name each folder according to client name, month of the year, etc. Whatever works best for you and will keep papers that are cluttering your desk organized.

Having containers for small items on your desk make it less cluttered. Items such as paperclips, rubber bands, scissors, staples, staplers, etc should be kept in a small container on your desk and not strung all over it.

Also, one of the best organizing tips I've used is a "To Do" list. A list that prioritizes what you want to accomplish each day, week, and month assists you in staying organized. If you don't get everything done, then you re-work the list to schedule those tasks in on another day. This type of system assists in not missing important telephone calls, meetings, or other scheduled events and assists in avoiding feeling overwhelmed.

An organized office should also be an ergonomically designed office. A good sturdy office chair that is adjustable in height, arms, back, etc. is a wonderful investment. You can find good chairs for about \$200.00 and sometimes even less than that. You can't put a price on comfort, so invest well in a good sturdy office chair. A flat screen large monitor for your computer, ergonomic keyboard, and ergonomic mouse are also good investments for the organized home office. These items reduce stress on your eyes, hands, wrists, and back. Also, make sure your office has good lighting.

When your home office is organized, you don't have to spend time searching for particular documents and papers. When you need an office supply, you know exactly where it is located and you know when you are running low on supplies. Having an ergonomically designed office assists in productivity because you are less fatigued, and don't have to deal with pain in various parts of your body due to poor ergonomics. Working from a "To Do" list assists in breaking down large tasks into workable chunks and reduces stress and feelings of being overwhelmed. Lastly, take breaks during your workday to straighten up your office, stretch, and to enjoy your workday. When you find ways to enjoy what you are doing, you will never work a day in your life.

Helpful Internet Links



MT Message Boards

- <http://www.mtdaily.com>

Learning Medical Terminology

- http://www.sheppardsoftware.com/web_games_vocab_med.htm
- <http://www.pathguy.com/medvocab.htm>

Typing Tutorials

- <http://www.nimblefingers.com/>

Online Medical Dictionary

- <http://www.online-medical-dictionary.org/>

Online Drug Reference

- <http://www.rxlist.com/script/main/hp.asp>

Learning Anatomy

- <http://www.innerbody.com/html/body.html>

Learning About Diseases

- <http://www.merck.com/mmpe/index.html>

English Grammar Resources

- <http://www.aacton.gladbrook.iowapages.org/id3.html>
- <http://www.geocities.com/athens/parthenon/2692/grammarlink.html>
- <http://www.yourdictionary.com/dictionary-articles/interactive-grammar-games.html>

Interactive Tools

- Abbreviation Search <http://www.proedge2000.com/abbsearch.html>
- MT HelpLine <http://www.mthelpline.com/>

Frequently Asked Questions

Q: **What exactly is Medical Transcription?**

A: Virtually every encounter that takes place between a health care provider and his or her patient must be put into written documentation. Generally, the information is recorded either onto tape or a digital voice processing system. The dictated information is then listened to by a medical transcriptionist (MT) who transcribes the report into either a hard copy or an electronic medical record using a computer and a word processor.

Q: **And it requires training?**

A: Absolutely. It is a highly specialized field requiring a strong medical background, knowledge of Latin (and Greek) word derivation, anatomy, physiology, and pharmacy. Those who learn to do it successfully generally are good spellers, and have good keyboard skills. Speed increases with training and experience.

Q: **Why should I look into this field?**

A: Consider first and foremost that it is a major career in one of the top economic industries, health care. The U.S. Department of Labor projects that there will be a 44% increase in MTs needed by the year 2006, (and thereafter), so the demand will definitely exceed the supply. Then consider the time and money savings by training and working at home, gasoline, day care expense, general reduction of the overhead of daily living because you are at work instead of stuck in traffic, wasting the most precious commodity you have: Time. The part of your home that you use for business is an expense for tax purposes, and, as already mentioned, you can usually write off as an expense the cost of the program. And the best reason, you set your own hours and have more time for family and friends.

The medical industry historically has been virtually immune to recession – the demand for medical services, and therefore the demand for all related products and services, such as medical transcription, (coding and billing) has never diminished. Security to that extent is difficult to find. The medical industry has experienced probably the most steady growth of any significant North American industry. And because you are paid by the word, line or page, you are rewarded according to your own ability and dedication, so your ultimate success is up to you. Your earning potential is entirely in your hands, enabling you to take charge of your future.

Q: **What about voice recognitions systems? Will they hurt the aspiring MT?**

A: Voice recognition systems are often discussed as an imminent threat to MTs. This has been true since the 1980's. Despite millions and millions of investment into the

technology, it has never materialized very effectively. The vocabulary of medicine with the ability to combine Latin words is virtually infinite. No voice-based memory thus far developed has been remotely capable of addressing that with any precision, let alone the exigencies of a voice with a cold (not recognized by the software), set maximum speech input speeds (mostly too slow) so the dictator wastes a lot of professional (and expensive) time. Those that have been implemented require MTs to edit the errors out. Currently one of our Jumpstart clients uses VR and the MT trainees listen to and edit the computer version (at a lower line rate than producing it entire, but the speed with which it is done well compensates). We don't see much of a threat from our observation and research since MTs still need to listen and edit.

Q: What equipment do I need to learn Medical Transcription?

A: For the training, a computer with a word processor, the ability to get onto and surf the internet (dial up or DSL) and a Waveplayer (footpedal) to do the dictation or listen to the audio. When you are ready to work, you will need a medical spellchecker (inexpensive), sometimes software communication upload/download protocols, (inexpensive) and other types of reference books depending upon what type of dictation you end up working with.

Q: Do I need to be certified?

A: AAMT provides CMT certification. You can read all about it at that site. You do not need to be certified to work. Most potential employers certainly appreciate that designation, but do not require it.

SECTION II MEDICAL CODING AND BILLING CAREERS

What Does a Medical Coder & Biller Do?

Every service (test, office visit, injection, surgical procedure, etc.) in the provision of medical care has a numeric code associated with it designed to provide some commonality of terms. The codes are used so that the companies who pay the claims (health insurance companies, HMOs, etc.) can identify the patient's problem and the service provided. This allows them to pay on a predetermined basis under the care and coverage limits of an insurance plan. The codes are also used for statistical data. The CPT (Current Procedural Terminology) codes exist for services such as an office call, an injection, an x-ray, and even the most detailed brain surgery. International Classification of Disease (ICD) codes are the number systems assigned for diagnoses and patient complaints (headache, upset stomach, etc.). The combination of using these codes, ICD and CPT, tell the payer what was wrong with the patient and what service was performed.

Prior to the 1960s, no uniform methods of billing and paying for medical services existed. Gradually, a system of numbers was developed to represent various problems and treatments. The treatment codes, Current Procedural Terminology (CPT-4), are copyrighted by the American Medical Association. The International Classifications of Diseases (ICD-9) is the codebook with the problems (diagnoses) numerically assigned. **Note that the ICD-10 codes are NOT YET IN EFFECT.** This has caused great confusion, especially among people considering MT as a career since there is a lot of misinformation – including training providers who brag about training students on the ICD-10 codes. The Centers for Medicare and Medicaid Services (CMS) announced in January 2009 that ICD-10-CM will be implemented into the HIPAA mandated code set on Oct. 1, 2013. In the meantime, coders MUST know ICD-9.

The ICD codebooks are published by a variety of companies. The government then got involved and developed their own codes, called "HCPCS," (Healthcare Common Procedure Coding System). The HCPCS go a step further to allow alphanumeric codes assigned to drugs, medical devices, etc., to allow even more detail for a payer to review and make more logical determinations for payment. Let's illustrate coding with an example. A hospital summary or chart arrives on the desk of a coder who will abstract the following information, convert it to code, and either data enter it or send it to data entry:

ER visit:

11 year-old male fell from a horse and sustained a broken leg

X-ray revealed an acute femur fracture 17 cm above patella

Procedure: Open reduction, internal fixation and cast application

Follow-up: 3 week FU with Dr. Marrow

From this simple note, several items may be identified, described and charged. Let's explore a little further. We look at the visit details and discover that a child has fallen

from a horse and has broken his leg, which is the "problem" (diagnosis). He came to the emergency room and was seen by an ER doctor. The doctor sends the child off for x-rays. X-rays show an open transcervical fracture of the femur, which is the diagnosis (more definitive than the "acute femur fracture" in the note). The fracture was repaired with a procedure called an "open reduction internal fixation" (ORIF).

When this is complete, the doctor places a cast.

The relevant coding from the above will result in a printed bill and/or insurance claim would look something like this when coded:

**X-ray acute femur fx 17 cm above patella 820.12 / E828.2 (diagnosis codes)
ORIF & cast 99284 / 27506 / 29345 / 73550 (CPT codes)**

When the insurance form is printed (and in the statement), the diagnosis would appear in the diagnosis input field as:

820.12 Transcervical Fracture, Open [and] E828.2 Accident, Horse
820.12 translated = 820 is femur fracture, the .1 means it is an open fracture, and the 2 notes it is the midcervical section of the femur. The **E828.2** is a code describing how it happened. The **828** tells the payer that it was a result of an "animal ridden," and the .2 tells that the patient was the rider. **The 99284, 27236, 29345 and 73550 are all CPT codes describing the service to the patient.**

The information on the claim or bill would appear something like this:

SERVICE DESCRIPTION DIAGNOSIS AMOUNT

99284 ER detailed exam 820.12, E828.2 100

27236 ORIF 820.12 400

29345 Cast 820.12 150

73550 X-ray femur - 2 views 820.12 100

For billing purposes, the use of the ICD codes, when juxtaposed to CPT codes, tells the payer not only what service has been provided but also lists the diagnosis, symptom, complaint, condition or problem (e.g., the reason for performing the service). The codes thus help establish the medical necessity as the first step in third party reimbursement.

The coder determines the codes to be used following each patient encounter. The reviewer/auditor must determine if the coder has in fact used the appropriate codes. Medical billing encompasses the billing of patient encounters (visits) and accounts receivable management functions for health care providers, both in the doctor's office and the hospital. A new field is "health insurance specialist," which is a level of billing that deals with understanding the rules and reimbursement criteria of all third party payers. With Billing and Health Insurance Specialist knowledge, you will find employment in various provider settings.

How is Medical Coding Related to Medical Billing?

When a care provider performs a service, he or she will dictate a report or note on the services provided. That textual document becomes a part of the primary record, and the coder reviews it in order to abstract and codify what was done. The codes are then printed on statements and insurance claims forms as an abbreviated way to define problem(s) and service(s). Offering the combined service of coding and billing is an excellent approach to a private practice provider. Since coding drives the entire billing process, it is imperative that both skills are included in a career path planning process.

Medical coding is the step that comes before medical billing happens. The medical biller should have at least some knowledge of medical coding and a medical coder should have some knowledge of medical billing and how health insurance works. In small medical clinics it's possible that the same person will code and then bill for the charges.

Medical coding is a bit more indepth to learn than medical billing. Medical billing is mostly data entry type work but one must have knowledge of the different health insurance rules, laws, and applications.

When seeking training in medical coding, it is wise to continue that training into medical billing. A good medical billing program should include at least some brief medical coding knowledge, procedures, and applications.

Money Money Money



According to the industry standards, starting salary for a medical coder is about \$35,000 per year, higher in some areas of the country. A typical coding firm charges \$17 per outpatient report to code, and the average per report time involvement is two to ten minutes. A graduate coder works at home, dials the hospital system, codes the charts and charges 70 cents per code. Two of our former students set up a claims auditing business in Montana for a self-insured employer, contracting for 50% of any funds recovered on claims already processed and paid. The first year, their income was over \$100,000. Coders often become the "gatekeepers" for the preauthorization process for employers and insurance companies. This occupation is often filled by nurses who take the coding training.

Skills Needed to Become a Medical Coder/Biller

Medical coders and billers perform a very procedural type of work. It takes the ability to look through medical charts and to extrapolate the correct information and to apply the correct procedures in order to come up with the correct codes. Billing is also procedural in nature. Both coding and billing require knowledge of health insurance laws, rules, and regulations. Continuing education is ongoing because laws change from year to year and codes and procedures are updated. So, this career path would be suitable for someone who is not looking for hands on patient care and who enjoys procedural work in a medical setting. Also, the desire to learn and operate software is imperative.

Training Needed to Become a Medical Coder/Biller

The first requirement is medical terminology training (or a good background in medicine, such as nursing). Formerly, it took two to four year college programs to learn coding; however, currently training is available through technical schools, correspondence courses, and simple, concise, yet thorough on-line home study programs. You want to choose a course that has a lot of patient records to code

The Medical Coding/Billing Job Market

Coding Professionals are in high demand. Coding drives the billing process (and gathers all the statistics) and more codes are now needed to comply--with greater accuracy than ever before. The technical skill and knowledge creates great job opportunities and income. More and more often, coding can be done at home. Experienced coders often become practice consultants.

Health care in America is an explosive industry accounting for the top three producers in gross national product (and income), and still outpaces all but a few industrial sectors in growth. Four million jobs will open up in the next ten years in the health care industry, and many, many of those positions are outside the care-giving arena specifically, such as consulting firms and claims-review/auditing firms. Coding is sufficiently specialized that coders are paid exceptionally well, and they are and will remain in very high demand.

Statistically, Health Information Management (HIM), of which coding is a part, is a rapidly growing field and is expected to outpace average job growth rates in other fields through the year 2009. According to the Occupational Outlook Handbook, 2009 Edition, produced by Bureau of Labor Statistics of the U.S. Department of Labor, health information technicians are projected to be one of the 20 fastest growing occupations.

Work Options

Medical coders and billers work either in doctors' offices, clinics, hospitals, or at home. Formerly, it was a bit cumbersome for coders and billers to work at home. However, with the advent of all the new technology (computerized faxes, scanners, transfer of information back and forth through the Internet), it is now possible and acceptable to do the coding at home either as a contractor or an employee for a hospital or doctor's office. National companies also fill a niche and subcontract the work to home-based contractors. You will find a number of them using the Web.

Frequently Asked Questions about Medical Coding/Billing

Q: What exactly is medical coding?

A: Every service (test, office visit, injection, surgical procedure, etc.) in the provision of medical care has a numeric code associated with it designed to provide some commonality of terms. The codes are used so that the companies who pay the claims (health insurance companies, HMOs, etc.) can identify the patient's problem and the service provided. This allows them to pay on a predetermined basis under the care and coverage limits of an insurance plan. The codes are also used for statistical data. The CPT (Current Procedural Terminology) codes exist for services such as an office call, an injection, an x-ray, and even the most detailed brain surgery. International Classification of Disease (ICD) codes are the number systems assigned for diagnoses and patient complaints (headache, upset stomach, etc.). The combination of using these codes, ICD and CPT, tell the payer what was wrong with the patient and what service was performed.

Q: What kind of training does coding require?

A: The first requirement is medical terminology training (or a good background in medicine, such as nursing). Formerly, it took two to four year college programs to learn coding, however, currently training is available through technical schools, correspondence courses, and simple, concise, yet thorough on-line home study programs. From there, it is just practice, practice and more practice. Our course has over 600 patient records for you to code.

Q: Does coding require certification?

A: Providers who employ coders prefer some assurance of the coder's background and capability. You may become certified by a number of national certifiers (AHIMA, AAPC) and www.med-certification.com as a CBCS (Certified Billing and Coding Specialist).

Q: What kind of certification should I have?

A: Prospective employers will obviously expect you to have the knowledge and certification is a way to show that you do. How you choose to get that certification is pretty subjective. By that, we mean that companies who set themselves up as "certification authorities" are all providing a subjective evaluation, and proceed to provide basic information on what should be the standard(s) for certifying. Some of these companies have been around longer than others and are probably better known; however, that name recognition is not a guarantee that their subjective standards are any more relevant than any other certification company. Most employers want to know if your knowledge base is sufficient to do a job for them.

Make sure you choose a coding course that prepares you well for the CCA, AHIMA or our Med-Certification tests, and for a host of others, although they may not be well-known names. Our courses teach you enough about all the coding protocols to make it simple to learn the rest (or any that come down in the future, e.g., ICD-10).

So, theoretically, if you wanted to start doing outpatient CPT coding, whether for a doctor or hospital, there are any number of certifications that would suffice, as any reasonably subjective evaluation will test for the same basic knowledge. E.g., if you can pass our course and our Med-Certification tests, then you should be able to also certify with CCA, AHIMA, and others. If you have the time and resources, you can certainly pursue multiple certifications, but understand too, that having one may be no more or less advantageous than another when it comes time to actually sit down and do the job.

Q: How much money can I make?

A: According to the industry standards, starting salary is about \$35,000 per year, higher in some areas of the country. A typical coding firm charges \$17 per outpatient report to code, and the average per report time involvement is two to ten minutes.

Q: What kinds of employers, or companies, require coders?

A: Virtually every provider, individual doctor, clinic, hospital involved in patient care requires coders. The American Association for Medical Transcription (AAMT) strongly encourages MTs to learn to code. Several of the larger MT companies also offer coding to their clients. The profession has enormous potential. One hospital alone may have as many as 50 or more coders on staff. Don't forget standalone clinics, urgent and semiurgent care and surgical, mental health centers and nursing homes.

In addition, insurance companies, contract care providers, governmental agencies, law firms, third party administrators, billing and practice management companies, need coders. The shortage of coders continues.

Q: Is there a ready market for the skills acquired in coding?

A: There sure is, as you have probably surmised by now. Health care in America is an explosive industry accounting for the top 3 producers in gross national product (and income), and still outpaces all but a few industrial sectors in growth. Four million jobs will open up in the next ten years in the health care industry, and many, many of those positions are outside the care-giving arena specifically, such as consulting firms and claims-review/auditing firms. Coding is sufficiently specialized that coders are paid exceptionally well, and they are and will remain in very high demand.

Statistically, Health Information Management (HIM), of which coding is a part, is a rapidly growing field and is expected to outpace average job growth rates in other fields through the year 2009. According to the Occupational Outlook Handbook, 2009 Edition, produced by Bureau of Labor Statistics of the U.S. Department of Labor, health information technicians are projected to be one of the 20 fastest growing occupations. The Health Insurance Specialist Training Course we offer is included in the Mega-Coding Course. More and more you will see help wanted advertisements looking for "Health Insurance Specialists." They are expected to know all about insurance companies, government plans, their requirements for preauthorization and submission of claims, the ability to calculate patient responsibility based on insurance payment criteria, all about HIPAA (privacy act management), and often have administrative roles. The Health Insurance Module is included in this training.

Q: How far you go with this expertise?

A: Once you become proficient in coding many opportunities exist. Coders often undertake auditing functions. Independent fraud analysts are also in demand and often are paid a percentage of what they save insurance companies. One of the most common uses for fraud analysis is in state-sponsored Worker's Compensation Funds, where fraud is rampant, accounting for a burgeoning percentage of America's health care costs. Many consultants and fraud analysts set up their own businesses and work at home. Consulting is a great field for nurses looking for a change in career.

Gatekeeping is another interesting job potential requiring terminology and coding. The gatekeeper is contacted when a policy holder needs a medical service for which the gatekeeper's intervention is required to determine the lowest possible costs without jeopardizing care, such as a surgery procedure, or a series of visits to a physical therapist. The gatekeeper refers to the policy's coverage and limits, refers to the appropriate code or codes, and determines what the payer (e.g., insurance company or employer) will pay for it, or determines whether the service is excluded. Depending on the health care plan, the gatekeeper then tells the patient which provider in the network is prepared to accept what the payer offers along with deductibles or copayments. If the patient decides to go outside this recommended network of care providers, then he or she will be responsible to cover any differential of the predetermined amount the payer is willing to pay. Gatekeepers commonly earn \$60,000 to \$100,000 a year. Many nurses fill these jobs.

Many employers are self-insured, which means that they establish a reserve account (like insurance companies) to pay for the medical care of their employees. "Third-Party Administrators" (TPAs) contract to manage the process. Gatekeepers perform the services to get the best economic deal possible for patients and payers.

Q: Can coding be done at home?

A: Formerly, it was a bit cumbersome since one needed various forms and even patient charts; however, with the advent of all the new technology (computerized faxes, scanners, transfer of information back and forth through the Internet), it is now possible and acceptable to do the coding at home either as a contractor or an employee for a hospital or doctor's office. National companies also fill a niche and subcontract the work to home-based contractors. You will find a number of them using the Web.

Q: How do home coders get the patient information?

A: Records are obtained in various ways: picking up the forms/documents, faxing (encryption for privacy issues), and remote dial up access to provider computer data. Technology has improved the ability to move this information around quite readily.

Q: What does medical coding have to do with transcription?

A: That's a simple one. Medical transcriptionists type the reports coders review to determine the treatment and diagnostic codes. Medical transcriptionists make excellent coders because of their knowledge of medicine, and, they have the document on their

screen when completed. Many dictators now include the ICD or CPT code in their dictation.

Q: What does medical coding have to do with billing?

A: When a care provider performs a service, he or she will dictate a report or note on the services provided. That textual document becomes a part of the primary record, and the coder reviews it in order to abstract and codify what was done. The codes are then printed on statements and insurance claims forms as an abbreviated way to define problem(s) and service(s). Offering the combined service of coding and billing is an excellent approach to a private practice provider. Since coding drives the entire billing process, it is imperative that both skills are included in a career path planning process.

Q: Is there coding software?

A: Most large clinical providers and virtually all hospitals already have it (and it's easy to learn to use). For private and clinical practice, one such software is the Alpha II software. You may purchase the Alpha II software. Remember that software is a tool and doesn't eliminate the need to learn basic coding.

Q: Is there anything else I should know?

A: Yes: Medical Terminology

Q: What does medical billing entail?

A: Medical billing encompasses the billing of patient encounters (visits) and accounts receivable management functions for health care providers, both in the doctor's office and the hospital. A new field is "health insurance specialist," which is a level of billing that deals with understanding the rules and reimbursement criteria of all third party payers. With Billing and Health Insurance Specialist knowledge, you will find employment in various provider settings.

Q: Is billing viable home-based business?

A: Yes. There are a remarkable number of home-based billing operators working from home. But somewhat contrary to what you may have heard or read, it's not a quick and easy undertaking to set up and get started. Too often medical billing is confused with electronic claims submission, which is in fact another type of service that may be home based.

The next question and answer addresses the differences. Thorough training in medical terminology, coding, billing, billing operations, and collections, is required before approaching a provider to convince her/him. It helps to be able to "talk the talk," understand the law; know how to recover revenue from payers, and provide good reports for analysis. Our program teaches all that is necessary to become employed or to set up and run a successful medical billing operation. Caveat: Don't be fooled by the promises made by the medical billing or electronic claims software vendors who say you will make \$50,000 a year in the "hottest opportunity of the new millennium." If you want to get into medical billing, get trained first, understand fully what you can sell, then make

your decision. The government agencies who monitor scams list the medical claims processing, e-claims, etc., as the highest profile for scams.

Q: What is the difference between electronic claims submission and billing?

A: Medical billing refers to billing and accounts receivable management, whereas electronics claims submissions refers only to a small element of that process, submitting electronic claims in a readable format to a payer rather than mailing a paper claim (insurance form). Electronic claims are telecommunicated to either insurance companies or to electronic claims clearinghouses that "clean the claims," and submit them to the payers (e.g., insurance companies, etc.).

There are many companies offering turnkey electronic claims submission home business programs for investments of anywhere between \$250 and \$8000. But you have to do your homework. The Federal Trade Commission has published a great deal of information on the prevalent scams.

Q: I've read that these turnkey home-based electronic claims submission and/or billing operation packages are enough to get me started. Are you saying that they aren't?

A: Yes, that's what we're saying. Purchasing a software program and trying to market just that element of service is pretty daunting. You still have to have the basic training on how all of the process works and what's involved to be able to assume the responsibility of providing the service. It is definitely a knowledge-based process. Software is simply a tool you use to accomplish your billing, coding and accounts receivable functions.

Q: How do I get paid in medical billing?

A: That depends on your objective. If you decide to go to work for the business office of a care provision facility, you'll likely be salaried (and this isn't a bad way at all to get more experience). Entry level pay is generally \$35K to 50K per year, with incentives, fringe benefits, bonuses, etc. If you decide to set up a billing operation, you typically charge a percentage of the collected revenue. If you decide to get into electronic claims submission, you charge by the claim. Remember that you must also pay the clearinghouse a fee to process that same claim.

Q: Do I need to be certified?

A: More and more government (HCFA) requirements are oriented toward having all billers certified (and requiring continuing education credits). The course will prepare well for any certification exam (there are several available). We recommend www.medcertification.com for the CBS (Certified Billing Specialist) practice testing and examination process.

Q: Is medical billing really going to be one of the "hottest home business opportunities" of the coming years?

A: Traditionally, medical billing is a good home business. All of the recent hype about medical billing has been more about electronic claims submissions from home, (not

medical billing), as has been discussed above.

Q: Is electronic claims submissions a legitimate home business opportunity?

A: It can be, yes. The problems are these: A good many care providers use billing companies to handle their billing, and most of those billing companies already do electronic claims submissions. The rest have a billing office in their facility, and a good many of them already submit claims electronically. If a company selling a package is simply giving a list of providers to contact, then the buyer is the one doing the marketing, and that process can be a tough market in terms of competition.

Q: Is Online training sufficient for me to enter these fields successfully?

A: Online or distance learning courses will train you to do the work, but ultimately, the successful implementation of your new skill is up to you. The training, books, and notes you make will become your constant and long-time companions for reference work. You will surprise yourself at the depth and extent of your new knowledge. More medical providers now hire "Health Insurance Specialists," which should be well covered in whatever program you train with, and a specialty of medical billing. If you are seriously considering medical billing, please read about coding too, since that is so closely aligned with the billing process.

SECTION III MEDICAL OFFICE ASSISTANT/ MANAGER

Office Staff



Medical Office Assistant/Medical Office Specialist

Medical Office Assistants work with patients, use software, understand laboratory and pharmacy data, and are in high demand. The Department of Labor reports MOAs are always in demand, and need is consistent.

Earnings: Salaries for medical office specialists vary, depend on education and experience, with a national average of \$28,000 to \$35,000 depending on the geographic area. Since medical office assistants must work in the provider office, most positions are salaried, with benefits.

The Medical Office Manager runs the medical office and the medical office assistant assists the manager and other office personnel in the day to day operations of the medical office practice.

Medical Office Manager

Medical Office Managers administrate healthcare provider functions in offices and hospitals, working with providers, managing support staff, assisting or providing human resource functions, developing and expediting policies/procedures and compliance plans. Must understand all provider operational functions from management to coding, billing, reimbursement, reporting and contract care. Need is increasing as governmental agencies increase the compliance complications.

Earnings: Salaries for medical office managers depending on education and experience, are in the range of \$50,000 to \$75,000. Those who establish consultant businesses often make more. Those who work in provider offices are salaried, with benefits.

Frequently Asked Questions



What is a medical office assistant-specialist?

A: Medical office assistants-specialists work in provider offices, individual physician practices, clinics, hospitals, virtually any care-provider setting. Regardless of what health care area office assistants may work in, they have close contact with patients, doctors, dentists, and other colleagues. They also may handle a wide range of duties. For example, they may meet arrivals at the front desk, schedule appointments, organize, update, and file charts and records, complete insurance forms, assist in the lab or pharmacy or with tests, treatments and therapies, convey lab report information to patients, renew telephone prescriptions, and assist with billing operations.

Who uses the services?

A: Medical and dental office assistants work in private practice, hospitals, clinics and elsewhere. In medicine, “private practice” includes general and family doctors, or those in specialties such as pediatrics, surgery, psychiatry, obstetrics, orthopedics, etc. In dentistry, it includes general practitioners, oral surgeons, orthodontists, periodontists, etc. In addition, other health care providers, some of whom do not necessarily have an M.D. or D.D.S. degree, use assistants: optometrists, chiropractors, physical therapists, podiatrists, osteopaths, psychologists, counselors, nutritionists, and homeopaths. Trained medical and dental office assistants also work in hospitals of many sizes and specialties, in emergency rooms, clinics, and convalescent centers.

And it requires training?

A: Absolutely. It’s a specialized field, and becoming more so all the time. Individuals with diverse backgrounds are employed as office assistants. Education and training are natural benefits when applying for such jobs. Each practice will train for specific functions related to their particular operation after the hiring takes place. The better the educational process, the better likelihood of being hired.

Is this field for me?

A: If you have at least average keyboard, organizational and communication skills, like to work with people, work well with others, are interested in the healing arts, and can learn and retain what you've learned, this could definitely be for you.

What are the best reasons I should consider this field?

A: The health care field is booming right now. Medical assistants and dental assistants in medical and dental offices are staying busy because of it! In your career path, you may also consider adding medical terminology and coding to your skill base. Those elements will lead to more and varied responsibilities, increased income potential, and ultimately may provide you with greater skills for medical office management-administrative functions.

How much can I expect to earn?

A: Salaries for medical office specialists vary. Salaries depend on the education and experience, with a national average of \$28,000 to \$35,000 depending on the geographic area. Since medical office assistants must work in the provider office, most positions are salaries, with benefits.

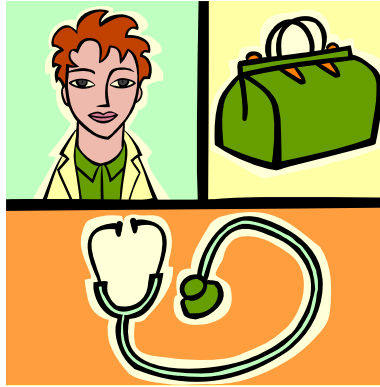
What about expanding opportunities and horizons?

A: The opportunities for expanding roles in your career are certainly good, as you build your experience, expand to other areas of expertise, as noted in the "Best Reasons" paragraph. If you like challenges, there is so much to be done in a provider office that those who accept them readily move into responsible positions and greatly add to the provider office persona with you an added asset.

What kind of software is used?

A: Most providers have patient management, billing, and accounts receivable software, from simple single doctor practices, to the larger clinic and hospital systems, including totally paperless medical record applications. For the most part, the basic elements are pretty standard, put a patient and the demographic information on-line, schedule an appointment, enter a charge, diagnosis, enter receipts/writeoffs. You may also be assigned to word processing functions, spreadsheet calculations, etc.

Job Opportunities



It is difficult for us to tell you what the job opportunities are like in your specific area. It is advisable to pick up a local newspaper and see if medical offices are hiring in your area. The healthcare field is growing and some job opportunities are usually good across the board with the exception possibly of extremely rural areas. In that case, a great work at home career to consider would be Medical Transcription where opportunities are not limited to your own geographic area.

The End