



*Kareo Implementation Guide  
For Company Administrators  
August 2007*

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# 1. Your First Steps on Kareo

Welcome to *Kareo*! This implementation guide will explain how to get started with the Kareo application, how to set up your company account, and how to set up your client practices. To ensure a successful and timely implementation of Kareo, please follow the steps below before you do anything else.

## 1.1 Training

Kareo offers a comprehensive library of prerecorded webinars to address your training needs. Our live webinars are web-based videos covering a variety of topics from setting up a your company and individual practices; managing patient records, entering encounters, tracking claims, entering payments, and managing documents. We encourage you to visit the “Training” section of the Kareo Help and Support website to view the webinar training available to our users. To access the Help and Support website, click the **Help** menu from within the Kareo application and then click **Kareo Support Website**.

## 1.2 Kareo Documentation

In addition to this Implementation Guide, Kareo also offers a library of documentation that can be downloaded and printed that will guide you through using many of the features within the Kareo application. These guides include a Kareo User Manual; Quick Reference Guides complete with screen illustrations that can be used for training business and medical office staff members; feature guides that will explain in more detail how to post payments, manage copays, and perform real-time eligibility verifications; and a complete step-by-step guide for walking you through the enrollment process and activating the practice for electronic claim services. These guides can be downloaded from the “Guides” section of the Kareo Help and Support website. As mentioned in the previous paragraph, the Help and Support website can be accessed from within the Kareo application by clicking the **Help** menu, and then clicking **Kareo Support Website**.

## 1.3 Submit Enrollment Agreements for Your First Practice

Before you can submit electronic claims, receive electronic remittance reports, and perform electronic patient eligibility verification, many payers require providers to complete and submit payer-specific enrollment agreements. Although, we will briefly touch on the subject of enrollment in Sections 4.2 through 4.5 of this guide, a separate document has been prepared for you that will walk you step-by-step through the enrollment process. The document is entitled “Kareo Enrollment Guide for Electronic Services,” and can be downloaded from the “Guides” section of the Kareo Help and Support website.

The enrollment process can take from 7 to 30 days, depending on the requirements of individual payers. Therefore, Kareo highly recommends that you enroll in these services as soon as possible to avoid any delays in your billing cycle.

## 1.4 Schedule Data Import

Most companies prefer to start off with a fresh database as they transition over to Kareo. However, you can also import your data from another billing system if desired.

If you have the technical knowledge to get your patient data for each practice into the Kareo standard file format, we can provide a quick turnaround for your data conversion. If you are currently using one or of the more common practice management applications on the market, chances are we have built conversion tools that makes this process easy. For more complex or sophisticated data import projects, our programmers offer custom data import as a professional service.

Please note that it could take up to 3 or 4 weeks to complete your data conversion, depending on the option you choose. To learn more about importing your data, please refer to the Kareo Help & Support website under **Setup > Data Import**.

## 1.5 Download and Install the Software

The best way to become familiar with Kareo is to start using it. Kareo highly recommends that you download and install the software and spend some time getting a feel for the features of the application. (For step-by-step instructions, please refer to Section 2.2, Installing the Software.)

## 1.6 Read This Implementation Guide

This guide was written to provide you with an overview of the key concepts you need to know in order to set up your company and your first practice on Kareo. Kareo highly recommends that you read this implementation guide in its entirety before you start using the application to bill for your providers' services.

In addition to reviewing this guide, Kareo also recommends that you view the first few prerecorded webinars under the "Training" section of Kareo's Help and Support website. These webinars provide an audio/video demonstration for setting up your company and setting up your practices.

Lastly, Kareo's Online Help system and the Kareo User Manual cover each of the followings topics in much greater detail. Kareo's Online Help system can be accessed from within the application by clicking the **Help** menu, and then clicking **Kareo Help**. The Kareo User Manual is the printed version of Online Help and can be downloaded from the "Guides" section of the Help and Support website. As mentioned previously, the Kareo Help and Support website can be accessed by clicking **Help**, and then clicking **Kareo Support Website**.

## 2. Getting Started

### 2.1 Understanding the Kareo Application

Kareo is an on-demand, revenue cycle automation software application designed for organizations that provide outsource medical billing and other managed services to physician practices.

#### 2.1.1 Kareo for the Administrator

With the Kareo application, the company administrator can set up user accounts, grant role-based permissions, set up and manage a master insurance list, manage industry code sets, generate customizable practice reports, and generate enterprise-wide reports.

#### 2.1.2 Kareo for the Billing Company

Kareo replaces your billing system with a modern and comprehensive application enabling the billing office to share information and coordinate workflow with medical offices. It is built to support and optimize your daily operations no matter how you work with your clients – whether your client practices use the Kareo application for their daily business operations or simply sends their superbills or demographic sheets to the billing office via fax, mail or courier services. Your staff can review the demographics for patients, add to or modify the procedures for an encounter, create claims, and manage accounts receivable.

With Kareo, the billing office can track a charge procedure from capture to payment. The software supports paper claims via CMS 1500 forms or electronic submissions via standard electronic data interchange; patient statements that may be printed or sent electronically; and for electronic submissions, the system provides frequent updates on claim status. You can issue refunds, examine detailed patient billing history, and view and print numerous reports customized to your organization's needs.

If you manage multiple practices at once, the application allows you to keep multiple windows open – and within each window, you can be working on multiple tasks, all without sacrificing usability or speed of data entry.

#### 2.1.3 Kareo for the Medical Office

Kareo replaces a traditional practice management system at the medical office with an Internet-based application that is tightly integrated with your billing office workflow. Front office staff can register patients and check eligibility on insurance policies, schedule patients using advanced scheduling rules, and accept payments and print receipts at time of appointment. Using the Kareo application, medical office users can also enter and route encounters to the billing office; fax, scan and store paper documents; and generate financial reports on demand.

#### 2.1.4 Kareo for the Physician

Using Kareo's optional Practitioner software, the medical office physicians can access their appointment schedule and enter charges using a mobile device that can be synchronized with the Kareo application from any wired or Wi-Fi network. Any charges entered into the hand-held device can be uploaded to the Kareo application and processed with all other encounters.

### 2.2 Installing the Software

The topics in this section will guide you through downloading, installing and signing into the application.

#### 2.2.1 Understanding System Requirements

It is important to understand the system requirements before you install and use the application.

#### Minimum Requirements

The following are minimum system requirements for proper use of the application:

- 1 GHz Intel Pentium III processor
- Microsoft Windows 2000 operating system or newer
- Video card capable of 1024 x 768 screen resolution
- 17" Monitor
- 256 MB RAM
- Broadband Internet connection with speed of 512 Kbps or greater

- If you will be using a scanner to scan documents into individual records or into the document storage area of Kareo, the scanner must be TWAIN-compliant.
- To print claim forms and various reports from the Kareo application, you will also need access to a printer. This could either be a network printer, or a printer connected directly to your computer.

## Recommended Requirements

The following are recommended system requirements for best use of the application:

- 2 GHz Intel Pentium 4, Pentium D, or Core processor
- Microsoft Windows XP Professional
- Video card capable of 1280 x 1024 screen resolution
- 19" Monitor or larger
- 1 GB RAM or greater
- Broadband Internet connection with speed of 768 Kbps or greater
- TWAIN-compliant scanner
- To print claim forms and various reports from the Kareo application, you will also need access to a printer. This could either be a network printer, or a printer connected directly to your computer.

### 2.2.2 Downloading the Software

After you complete your signup process on the Kareo website, you will be taken to the **My Account** page where you can download Kareo. You can also download and print the Kareo User Manual, which will guide you step-by-step through performing specific tasks within the application. Although this implementation guide will guide you through the basic steps in installing the application and setting up your company and your client practices, the user manual as well as the Online Help topics accessible through the Windows menu of the application goes into much greater detail.

### 2.2.3 Installing the Kareo Application

Follow these steps to download and install Kareo on your system.

1. From the **My Account** page of the Kareo website, click the **Download Kareo Now** link.
2. When the **File Download** dialog appears, click **Open** or **Run** (depending on your version of Windows) to begin the installation.
3. Once the download is complete, your web browser will launch the Kareo setup program. Please follow the on-screen instructions to complete the installation.
4. Once installed, the program icon will be displayed on your desktop. →



### 2.2.4 Installing the Practitioner

In order to run **Kareo Practitioner**, you must have a Windows Mobile 2003 SE or Windows Mobile 5.0 device, such as a Pocket PC PDA or a Pocket PC phone. You must also install Microsoft ActiveSync on your desktop or laptop computer. Since this is an optional program available through Kareo, if you do not have a mobile device available to you at the current time, you can skip the installation process and return to the Kareo website at a later date to install the Practitioner application when you are ready to do so.

Follow these steps to download and install **Kareo Practitioner**.

1. From the **My Account** page of the Kareo website, click the **Download Kareo Practitioner Now** link that matches your device's platform.
2. When the **File Download** dialog appears, click **Open** or **Run** (depending on your version of Windows) to begin the installation.
3. Once the download is complete, your web browser will launch the **Kareo Practitioner** installation program. Please follow the on-screen instructions to complete the installation.
4. To run the application, double-click the **Kareo Practitioner** icon from the Programs folder of your Pocket PC.

## 2.2.5 Signing In

The below instructions will guide you through signing into the application.

1. Locate the **Kareo** icon on your desktop and double-click it. (Optionally, you can start the application from the Windows **Start** menu by clicking **Start>All Programs>Kareo>Kareo.**)



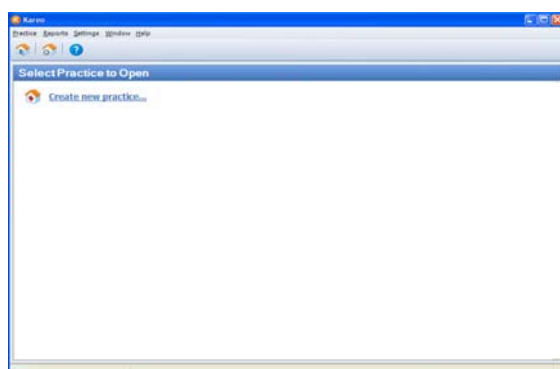
2. Upon startup, the system will automatically check for software updates. (For more detailed information about software updates, refer to Online Help or the Kareo User Manual under **Getting Started > Installing the Application > Getting Software Updates.**)

3. If a new version was not found, the system will display the **Sign In** dialog.



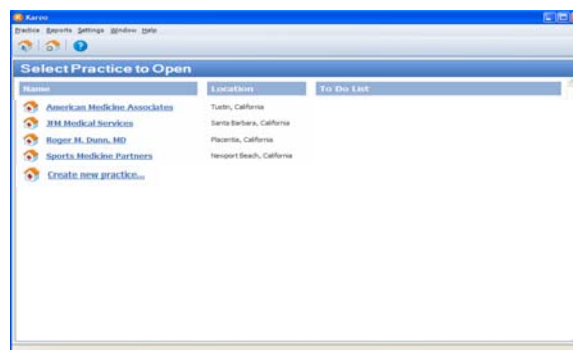
4. Enter your username and password. Typically, your username is the email address that you used during the signup process.
5. Click the **Sign In** button to continue. Once the system verifies your username and password, the application will pause for a few seconds while it loads some application data from the server. When complete, the **Company Home** page will be displayed which is your starting point for using the application.

### Company Home



For administrators and other designated users who have appropriate permission to access more than one practice, Kareo provides an interface to the application that opens each time you log into the system. This interface is known as the **Company Home** page.

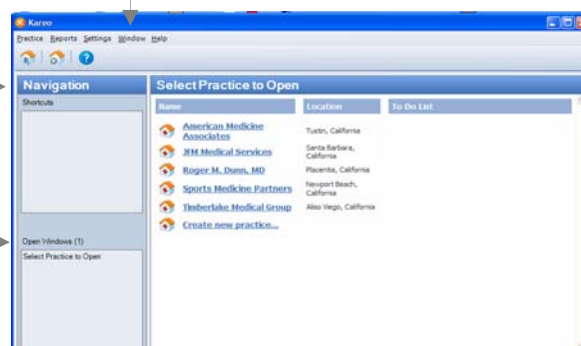
Note that when you log into Kareo for the first time, the screen will appear blank except for the menu bar and toolbar at the top of the screen, and a link that allows you to create a new practice record. Once you create one or more practice records, then you will be able to view the list of practices each time you log into Kareo thereafter. If you click on any of the practices within the list, you will then be taken to the Home Page (or Dashboard) of the selected practice.



Navigation Pane →

As you begin to set up your company, it is recommended that you click the **Windows** menu item on the Company Home page and then click **Navigation Pane** to display the navigation side panel. This allows you to easily navigate from one task to another as you set up and configure your company settings.

Open Windows →



## 3. Setting up Your Company

After you download and install the Kareo application, there are a few steps to setting up your company. Kareo shares certain settings across all of the practices associated with your company, including users and security groups, standard code databases, and insurance information. This section explains the key concepts you need to know to set up your company.

Prior to setting up and configuring your company-wide settings, however, you will want to create a contact record for each of your client practices. This will also help you understand the process of setting up security groups and users accounts within the system.

This chapter will explain how to create a contact record for each of your client practices and then will guide you through configuring all of your company-wide settings. Chapter 4 will guide you through setting up and configuring practice-specific settings.

### 3.1 Setting up Practice Records

The practice record identifies the name of the medical practice, and includes the practice's Tax ID and NPI number, Kareo subscription edition, general contact information, and the contact information for the administrator and billing office. And lastly, if you wish to assign a kfax number to each practice, you can do that within the practice record.

Follow these steps to add a new practice record:

1. From the **Company Home** page, click the link labeled **Create a New Practice**. This opens the **New Practice** task.  
**Note:** If there are no practices listed on the **Company Home** page, the link will be the first item in the list area of the screen. If one or more practices have already been entered, the link will be the last item in the list area.
2. Enter the practice's name, Tax ID and NPI number.
3. In the **Subscription Edition** field, select the software edition that the practice will be using (Enterprise, Team, or Basic).
4. Complete the remaining fields; including the practice's general contact information, the administrator's contact information, and the billing contact information.
5. If you wish to assign a kFax number to this practice, click the **Get kFax #** button on the Task Button Bar. The system will automatically look up the next available kFax number and assign it to the practice.
6. Once all information has been entered, click **Save** on the Task Button Bar to add the new practice to the system; or to exit without saving the new practice, click **Cancel**.
7. Repeat the above steps to add additional practices.

### 3.2 Setting up Users and Security

Kareo uses a role-based security model. You start by setting up security groups that correspond with the various types of users in your company (e.g. Billing Manager, Billing Specialist, Doctor, Front Office Manager, Practice Staff, Scheduler, etc.). Then you grant permissions that correspond with each security group. Then you enter user accounts for each individual in your organization and you grant each user membership in one or more security groups. The access level for any particular user will be determined by the combined permissions of the security group to which that user is a member.

Note that when you first signed up for Kareo, you were automatically assigned a security group level as "System Administrator." This allows you access to all areas of the application. You will use the Security Groups task to set up additional security groups for other users that will be accessing the system.

Kareo provides an easy-to-use template to assist you in setting up the various security groups and for defining the various permissions for each group. You can download the Security Group Template from the "Guides" section of the Kareo's Help and Support website. To access the Help and Support website, click the **Help** menu from within the Kareo application and then click **Kareo Support Website**.

#### 3.2.1 Setting up Security Groups

You can configure security groups within the application by first defining the various user levels within your company and the client practices you serve; and then you will grant permissions corresponding to each user level. Kareo recommends that you use the Security Group Template previously mentioned to assist you as you define the various levels of users,

To set up and configure your security groups, follow these steps:

1. On the **Settings** menu, click **Security** and then click **New Security Group**. This opens the **New Security Group** task.
 

Optionally, if you are adding more than one security group during the same work session, you can click **Security Groups** to open the **Find Security Group** task (or browser); and then click the **New** button on the Task Button Bar of the browser to add a new security group. As you add new security groups to the system, the new groups will be added to the list area of the browser.
2. The **New Security Group** task is separated into two tabbed sections: “General” and “Members.”
3. Under the “General” tab, enter the following information:
  - **Name:** Enter the name of the new security group. Be as specific as possible (e.g., Billing Specialist, Doctor, Front Office Manager, Scheduler, etc.).
  - **Description:** Enter a brief description of the new security group.
  - Under the **Permissions** section of the “General” tab, you will see two list boxes. The upper box lists the main areas of the application; the lower box lists the specific permissions for each of the task areas in the upper box. For example, if you were to select “Entering and Tracking Encounters” in the upper box, the list that will be displayed in the lower box is specific to working with encounters. If you were to select “Generating Reports” in the upper box, the list that will be displayed in the lower list box is specific to working with reports.
 

On the right of each of the items listed in the lower box you will see two checkboxes, **Allow** and **Deny**. (You may need to move the scroll bar to the right to see these checkboxes). To allow or deny permission to perform specific functions within this list, do the following:

    - First select the area of the application from the upper list box; and then in the lower list box, place a check in the **Allow** checkbox for those functions the security group will be permitted access. For those functions the security group will be denied access, click the **Deny** checkbox.
    - Repeat this process for each area of the application displayed in the upper list box.
    - **Note:** If a member of a security group is also a member of another security group which is allowed access to a specific area of the application and/or function, checking the **Deny** checkbox for a particular permission will override the setting in the other security group to which the member is assigned.
4. As you enter new users in the system (see Section 3.2.3, Setting up User Accounts) and assign those users to security groups, you will be able to view the list of users for each of the security groups by clicking on the “Members” tab. Note that once users have been set up in the system, you can also add or remove users from a security group, directly from the “Members” section of the security group task.
5. When you finish adding the new security group, click **Save** on the Task Button Bar; or to exit without saving the new security group, click **Cancel**.

### 3.2.2 Setting up User Roles

You can set up user roles to further classify users. This allows you to configure dashboards in the system based on user role, and also allows you to filter and group various reports by user role.

Note that Kareo has initially set up two user roles within the application (Medical Office User and Business Office User). These two user roles define which dashboard the user will have access to when they log into the application. However, you have the option of adding additional user roles depending on the needs of the organization; and then selecting the dashboard for these additional users. For example, you may want to add additional user roles if you would like to generate user productivity reports grouped by your custom set of user roles.

Follow these steps to create a new user role:

1. On the **Settings** menu, click **Security** and then click **New User Role**.
 

Optionally, if you are adding more than one user role during the same work session, you can click **User Roles** to open the **Find User Role** task (or browser); and then click the **New** button on the Task Button Bar of the browser to add a new user role. As you add new user roles to the system, the new user roles will be added to the list area of the browser.
2. In the **New User Role** task, enter the following:
  - **Name:** Enter the name of the new user role.
  - **Description:** Enter a brief description of the new user role.
  - **Dashboard:** Select the dashboard to which the new user role has access from the drop-down list.
3. When you finish adding the new user role, click **Save** on the Task Button Bar; or to exit the task without saving the new user role, click **Cancel**.

### 3.2.3 Setting up User Accounts

Set up User Accounts for every person within your organization and within the client practices you serve. To set up a user account, you will enter the user's email address, and general contact information, select the role of the user (in most cases, either Medical Office or Business Office); you will then grant the user membership in one or more security groups; and lastly, you will select one or more practices to which the user will have access. This task also provides support tools for locking user accounts or resetting passwords, ensuring HIPAA compliance.

To set up user accounts, follow these steps:

1. On the **Settings** menu, click **Security** and then click **New User Account**. This opens the **New User Account** task.
 

Optionally, if you are adding more than one user account during the same work session, you can click **User Accounts** to open the **Find User Account** task (or browser); and then click the **New** button on the Task Button Bar of the browser to add a new user account. As you add new user accounts to the system, the new users will be added to the list area of the browser.
2. Under the "General" tab of the new user account record, enter the following information:
  - **Email:** Enter the email address of the new user. This will be the login name the user must use to access the application.
  - The **Account is locked** checkbox is used only if you wish to lock the user from accessing the application. If at any time in the future, you wish to lock the user from accessing the application, you can open the user account record and place a check in this box.
  - **User Role:** Using the drop-down list, select the User Role that corresponds to this user. Note that Kareo has initially set up two user roles within the application (Medical Office User or Business Office User). These two user roles determine which dashboard the user will have access to when they log into the application. However, an application administrator has the option of adding additional user roles depending on the needs of the organization. To learn more about setting up additional user roles, see the previous section, entitled "Setting up User Roles."
  - **Full Name:** Enter the user's full name.
  - **Address:** Enter the user's office address, (including suite number or other secondary unit designator, if applicable).
  - **Primary Phone:** Enter the user's primary phone number, including area code. (Typically the user's office phone number.)
  - **Secondary Phone:** Enter the secondary phone number, including area code.
  - **Notes:** Enter any notes that you wish to add to the user record.
3. The lower section of this task is where you assign the user to one or more security groups and where you specify which client practice(s) the user will have permission to access.
 

To continue setting up the new user account, do the following:

  - **Groups:** In the box titled **User is NOT a member of**, select the security group to which the new user will be assigned, and then click the left arrow (←) button. This moves the security group category to the **User is a member of** box. Doing this will now allow the user the same access permissions as others within that security group. Note that you can also assign the user to more than one security group if desired. When a user is assigned to two or more security groups, then the permissions granted to each security group are merged for that user.
  - **Practices:** In the box titled **User cannot access**, select the client practice to which the user will be allowed permission to access, and then click the left arrow (←) button. This moves the selected practice to the **User can access** box. Once this is done, the user will have access to the practice selected based on the user's security group level. Repeat this step for each additional practice to which the user will be allowed access.
4. Once you select the security group for the new user, you can click the "Effective Permissions" tab to view the security group settings for that user. This is a read-only view; you will not be able to change any of the settings under the "Effective Permissions" tab. The settings that are shown in this view are based on the security group that you selected for the new user in the above step. To change any of the permission settings for the user, you must select a different security group or create a new security group that will allow the user a different set of permissions that are not already defined within your other security group levels.
5. A tab labeled "Notifications" has recently been added to the User Account record allowing the administrator to define the types of notifications that will be sent to the user by Kareo. Defaults have already been set up in the system and are based on user permissions. These default settings include: Company Administrator Notifications (sent to users who have FULL CONTROL of "Administering Security"); Clearinghouse Notifications (sent to users who have FULL CONTROL of "Managing the Billing Process"); and General Notifications (sent to all users). The administrator can modify any of these settings for a specific user by checking or clearing the applicable checkbox.
6. When you finish adding the new user account, click **Save** on the Task Button Bar, or to exit the task without saving the new user account, click **Cancel**.

Note that once a user account record has been created and saved, you can view or edit the record, lock a user from accessing the application, or you can reset a user's password at any time. For more detailed instructions for editing records, locking users from the application, or resetting passwords, refer to the corresponding topics in Online Help or the Kareo User Manual under **Setting up The Company > Configuring Users and Security > Setting up User Accounts**.

### 3.2.4 Setting up the Security Policy

The Security Policy task is used to set up the security policies that apply to your entire company and all practices associated with your account. This is important for proper compliance with the patient privacy regulations of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). You can define password policies that require minimum length, periodic expiration, and password complexity. You can set up account lockout policies to disable accounts after a number of failed login attempts. You can also configure how quickly applications lock after a period of inactivity. Kareo has set up a basic set of defaults that meet the needs of most companies. However, you do have the option of changing any of these default settings if desired.

To access the Security Policy settings, follow these steps:

1. On the **Settings** menu, click **Security** and then click **Security Policy Options**. This opens the **Edit Security Policy Options** task.
2. Note that the configuration settings are separated into four sections: "Password Policy," "Account Lockout," "Application Locking," and "Support Contact." You can leave these settings at the default values set up by Kareo or you can change the settings based on your organization's specific needs.
3. If any changes are made to any fields within this task, be sure to click **Save** on the Task Button Bar; or to exit the task with saving the changes, click **Cancel**.

## 3.3 Setting up and Managing Codes

Kareo shares a single database of industry code sets for your entire company and all practices associated with your account. Your company database will automatically contain the latest versions of procedure codes (i.e. HCPCS and CPT), procedure modifiers, and diagnosis codes (i.e. ICD-9) as published by the American Medical Association (AMA) and Centers for Medicare and Medicaid Services (CMS). Your company database will also contain a default set of adjustment codes. You can add, modify, or delete codes in your database. Please note that any additions or modifications to these master lists will affect your entire company.

### 3.3.1 Setting up Procedure Codes

Procedure Codes are used by entities within the health care industry to identify specific medical procedures or other services rendered to patients. These codes correspond with the HCPCS and CPT code databases, the de-facto standards as published once per year by the American Medical Association and the Centers for Medicare and Medicaid Services (CMS). Procedure Codes are used primarily to identify procedures on Encounter or Claim records.

To access the list of procedure codes, follow these steps:

1. On the **Settings** menu, click **Codes** and then click **Find Procedures**. This opens the **Find Procedure** task (or browser); which provides the preset list of procedure codes provided by Kareo.
2. You can add new procedure codes, create speed codes, enter local names for the codes you will be using often, deactivate a code, and perform other tasks related to procedure codes.
3. To learn how to work with the tasks associated with managing procedure codes, refer to the detailed instructions in Online Help or the Kareo User Manual, under **Setting up the Company > Managing Codes > Managing Procedure Codes**.

### 3.3.2 Setting up Procedure Modifier Codes

Procedure Modifier Codes are used by entities within the health care industry to identify specific modifiers to medical procedures or other services rendered to patients. These codes correspond with the HCPCS and CPT code databases, the de-facto standards as published once per year by the American Medical Association. Procedure Modifier Codes are used primarily to identify modifications to procedures on Encounter or Claim records.

To access the list of procedure modifier codes, follow these steps:

1. On the **Settings** menu, click **Codes** and then click **Find Procedure Modifier**. This opens the **Find Procedure Modifier** task (or browser), which displays the preset list of procedure modifier codes provided by Kareo.
2. You can add, modify or delete procedure modifier codes using this task.
3. To learn how to work with the tasks associated with managing procedure modifier codes, refer to the detailed instructions in Online Help or the Kareo User Manual, under **Setting up The Company > Managing Codes > Managing Procedure Modifier Codes**.

### 3.3.3 Setting up Procedure Categories

If desired, you can set up procedure categories in the system, and then link procedure codes to specific categories. This allows users on the system to generate certain reports based on procedure categories.

Most likely, this is something you would do as the need arises, and is not typically necessary when first setting up the company. When you are ready to set up procedure categories, refer to the detailed instructions in Online Help or the Kareo User Manual under **Setting up The Company > Managing Codes > Managing Procedure Categories**.

### 3.3.4 Setting up Diagnosis Codes

Diagnosis Codes are used by entities within the health care industry to identify the specific medical diagnosis of patients receiving treatment. These codes correspond with the code list published quarterly by the Centers for Medicaid and Medicare Services branch of the U.S. Department of Health and Human Services. Diagnosis Codes are used primarily to identify the patient diagnosis on Encounter or Claim records.

To access the list of diagnosis codes, follow these steps:

1. On the **Settings** menu, click **Codes** and then click **Find Diagnoses**. This opens the **Find Diagnosis** task (or browser), which displays the preset list of diagnosis codes provided by Kareo.
2. You can add new diagnosis codes, enter local names for the codes you will be using often, deactivate a code, and perform other tasks related to diagnosis codes.
3. To learn how to work with the tasks associated with managing diagnosis codes, refer to the detailed instructions in Online Help or the Kareo User Manual, under **Setting up The Company > Managing Codes > Managing Diagnosis Codes**.

### 3.3.5 Setting up Adjustment Codes

Adjustment codes are used to identify specific types of adjustments made to payments received from insurance companies and patients. Kareo provides a preset list of adjustment codes; however, the Kareo system lets customers define their own custom adjustment codes as well.

To access the list of adjustment codes, follow these steps:

1. On the **Settings** menu, click **Codes** and then click **Find Adjustment Code**. This opens the **Find Adjustment** task (or browser), which displays a preset list of adjustment codes provided by Kareo.
2. You can add new adjustment codes or modify existing adjustment codes and then link the custom codes to industry standard "adjustment reasons" in order to support coordination of benefits.
3. To learn how to work with the tasks associated with managing adjustment codes, refer to the detailed instructions in Online Help or the Kareo User Manual, under **Setting up the Company > Managing Codes > Managing Adjustment Codes**.

## 3.4 Setting up Insurance Information

Kareo stores a single database of insurance information for your entire company and all practices associated with your account. This enables you to maintain all insurance information in a master list that is consistent across all practices associated with your company.

### 3.4.1 Organization of Insurance Information

Kareo organizes insurance information as two lists: Insurance Companies and Insurance Plans. The Insurance Company is used to represent a payer or network (e.g. Medicare of CA, Blue Cross of CA, United Healthcare, etc.) and an Insurance Plan represents a sub-classification of an Insurance Company such as a plan category, (e.g. PPO, HMO, etc), a specific insurance plan (e.g. PPO 35, HMO Select), or a region (e.g. Southern California). The Insurance Company record stores paper claim formatting settings and electronic claim submitter information. The Insurance Plan record stores plan information (e.g. Copay, Eligibility Contact, etc) and the remit address information for paper claims.

### 3.4.2 Maintaining Your Insurance Database

Kareo stores a master insurance list across all practices associated with your company. This eliminates repetitive data and organizes information in such a way that roll-up reporting by insurance across all practices is possible. But since users in each practice may need to add new insurance companies to the list and this could potentially affect the quality of your master list, Kareo provides some tools specifically designed for maintaining your insurance database.

Here is how it works. Any insurance company or insurance plan added to a practice by a front-office user is initially marked with a “Practice-Specific” scope (or status). So long as an insurance company or insurance plan is set to “Practice Specific”, the new record is only accessible within that practice. If you as the company administrator change the scope of an insurance company or insurance plan to “All Practices”, then it instantly becomes accessible to all practices associated with your company. Any insurance company or insurance plan that is set to “All Practices” can be linked to patients but CANNOT be modified by a front-office user. This prevents a rogue user in one practice from changing critical information, such as the claim remit address, which might affect other practices.

This approach has several benefits. First, it enables you to maintain a single master insurance list across all your practices. Second, it enables any user at a medical practice to add new insurance companies or insurance plans as may be necessary to register new patients. Third, it enables you to maintain the insurance list by periodically reviewing the insurance list and “approving” records for use by all practices or “merging” records into pre-existing ones to eliminate duplicates.

For more information about maintaining or merging insurance companies and plans, please refer to Online Help or the Kareo User Manual.

### 3.4.3 Setting up Insurance Companies

To access the Insurance Company tasks, follow these steps:

1. On the **Settings** menu, click **Insurance** and then click **New Insurance Company**.  
(Optionally, you can click **Find Insurance Company** to open the **Find Insurance Company** task (or browser). Insurance companies that may have already been added to the system will appear in the list area of the browser. To add a new insurance company, click **New** on the Task Button Bar of the browser.)
2. Note that the fields associated with an insurance company record are organized into three sections, each of which is located on a separate tab: “General,” “Paper Claims,” and “Electronic Claims.” Note that if you log into a specific practice, a fourth tab labeled “Practice Settings” will also appear allowing you to configure other settings specific to the individual practice that you are logged into.  
  
The “General” section includes general information about the insurance company; under the “Paper Claims” section, you will configure the settings for printing paper claims; and under the “Electronic Claims” section, you will configure the settings for transmitting electronic claims. Once each of your practices have enrolled and have been approved for submitting claims to specific payers, you can then log into each practice, navigate to the “Practice Settings” tab and configure the settings specific to that practice.
3. For detailed instructions on setting up and managing insurance company lists and for configuring the settings for paper and electronic claims (as well as configuring practice-specific settings), refer to the relevant topics in Online Help or the Kareo User Manual, under **Setting up The Company > Setting up Insurance Lists > Setting up Insurance Companies**.

### 3.4.4 Setting up Insurance Plans

To access the Insurance Plan tasks, follow these steps:

1. On the **Settings** menu, click **Insurance** and then click **New Insurance Plan**.  
(Optionally, you can click **Find Insurance Plan** to open the **Find Insurance Plan** task (or browser). Insurance plans that may have already been added to the system will appear in the list area of the browser. To add a new insurance plan, click **New** on the Task Button Bar of the browser.)
2. When creating a new insurance plan record, you will need to first select the insurance company that is associated with the new insurance plan. To do this, click the **Insurance Company** button on the upper left of the **New Insurance Plan** task. This displays the list of insurance companies that have been previously entered into the system. Double-click on the insurance company record to link the insurance company to the insurance plan.  
  
**Note:** If the insurance company has not already been added to the master list of insurance companies, you can create a new insurance company record at the same time you are creating a new insurance plan record by clicking the **New** button on the Task Button Bar of the **Insurance Company** browser. Again, prior to creating a new insurance company record, you will want to refer to Online Help or the Kareo User manual which provides detailed instructions for setting up insurance companies within Kareo.
3. For more detailed instructions for setting up and managing your insurance plan list, refer to the relevant topics in Online Help or the Kareo User Manual under **Setting up The Company > Setting up Insurance Lists > Setting up Insurance Plans**.

### 3.5 Setting up Other Lists

You can set up other company-wide lists within the Kareo application; such as attorneys, employers, Workers' Compensation offices, payer scenarios, and collection categories.

To learn more about setting up and managing each of these company-wide lists, refer to Online Help or the Kareo User Manual under **Setting up The Company > Setting up Other Lists**.

## 4. Setting up a New Practice

Once you have set up your company, you will need to set up each of your client practices. This section explains the key concepts you need to know to set up a practice, including configuring practice settings, enrolling in electronic services, and importing data from another system.

### 4.1 Configuring a New Practice

In Section 3.1 of the previous chapter you learned how to set up a record for each of your client practices. In this chapter we will guide you through configuring the various settings for each practice.

#### 4.1.1 Opening a Practice

When you log into the application, you are automatically taken to the **Company Home** page. Once you have created one or more practice records (See Section 3.1 of the previous chapter), the names of those practices will appear in the list area of the **Company Home** page. To open the **Practice Home** page (or Dashboard) for any of the practices listed, simply click on the practice name.

Note that as you click on any of the items on the Menu Bar of the medical practice's home page, you will see a list of tasks related specifically to the practice you are logged into. For example, when clicking on the **Patients** menu, you will see a list of tasks related to creating or finding a patient record, viewing a patient's account information, and checking a patient's eligibility on insurance policies. When clicking on **Appointments**, you will see a list of tasks related to the appointment scheduler, and so on. If you would like to learn more about the actual work environment and the various menu items once logged into a specific practice, refer to Online Help or the Kareo User Manual under **Understanding the Work Environment**.

In this chapter, we will focus on the tasks related to setting up and configuring certain practice-specific settings. Note that you can also access company-wide settings while logged into an individual practice; however, we strongly recommend that you access company-wide settings from the **Company Home** page, and access practice-specific settings from the **Practice Home** page (or Dashboard). Also note that most users will not see the various company-wide settings when they are logged into an individual practice. Most, if not all, company-wide settings will be hidden from view; unless, of course, a user has been assigned the appropriate user permissions to access company-wide settings.

#### 4.1.2 Reviewing Practice Information

You and other users on the system can review the general information for a practice. In the previous chapter, you set up the practice record from the **Company Home** page. This practice record can be viewed by any user who has the appropriate permission to view the information; however, unless the user has been assigned the required permission, he or she will not be able to edit this record.

Follow these steps if you wish to review or make changes to the contact information.

1. On the **Settings** menu, click **Practice Information**. This opens the **Practice Information** task.
2. Use the [Tab] key to advance to the field that needs to be changed. (Again, note that changes can only be made by you or another user who has the appropriate permissions to do so. If a user does not have the appropriate permission to edit a practice record, the fields within the record will be disabled or grayed)
3. To save your edits, click **Save** on the Task Button Bar; or to exit without saving your edits, click **Cancel**.

#### 4.1.3 Setting up Providers and Provider Numbers

Providers are physicians and other medical professionals within the practice who provide billable services to patients. The provider record contains the provider's name, SSN and NPI numbers, specialty, degree, provider type, as well as general contact information. There is also a section to record the provider numbers assigned to the provider by insurance companies, and a section for attaching documents to the provider record.

You must set up one or more providers before a user can begin scheduling appointments, entering encounters, or sending claims. Follow these steps to set up one or more providers:

1. On the **Settings** menu, click **Providers**. This opens the **Find Provider** task (or browser).
2. Click the **New** button on the Task Button Bar at the bottom of the browser to open the **New Provider** task. Note that this task is separated into two tabbed sections: "General" and "Provider Numbers."
3. Under the "General" tab, enter the following information:

- Enter the provider’s full name and date of birth.
  - Enter the provider’s National Provider Identifier (NPI) number.
  - Enter the provider’s social security number. If the provider does not use his or her SSN for billing, then enter the provider’s practice Tax ID in this field. In either case, a 9-digit number must be entered within this field in order to submit claims.
  - Click the **Specialty** button, and select the provider’s specialty from the preset list of Taxonomy codes.
  - Enter the provider’s degree (e.g., MD, DO, PhD, MET, etc.).
  - The information in the **Type** field will be set by Kareo, and indicates the status of the provider as it relates to the contractual agreement with Kareo. When creating a new provider record, this field will be blank, but will be completed by a Kareo staff member once the provider is set up and verified by Kareo.
  - The “Active” checkbox is automatically checked when creating a new provider record. However, if you wish to deactivate a provider in the future, you can clear this checkbox. Deactivating a provider hides the provider name from the appointment calendars, as well as lists and selector tasks associated with appointment, patient, and encounter records.
  - Leave **Encounter Form** and **Department** field set to “None” for the time being. Once you set up encounter forms and departments in the system, you will return to the provider record, and select the appropriate default encounter form and department for this provider.
  - Enter the provider’s office address, email address, and phone and fax numbers
  - If the provider will be using the Kareo Practitioner software, click the **User** button and select the provider’s user account that will be used for accessing Kareo from the mobile device.
  - Enter any notes that you wish to store with the provider record.
4. Under the “Provider Numbers” tab, click the **Add** button on the right of the screen to add one or more provider numbers.
- Provider numbers are unique identifiers for medical providers. Some provider numbers are assigned by state and federal government agencies (e.g., OB - State License Number); some are assigned by federal healthcare programs (e.g., 1C - Medicare, 1D - Medicaid), and others are assigned by commercial insurance companies (e.g., G2 - Provider Numbers).
- The NPI (National Provider Identifier) is a new government standard for identifying providers. This number is meant to simplify the management of provider numbers by requiring all government and commercial payers to use a single identifier. The original deadline to adopt NPI numbers was May 23, 2007; but the government rolled out a contingency plan to extend this requirement.
- Eventually the NPI number will replace the legacy provider numbers assigned by payers. Currently, however, many payers still require the legacy payer-assigned provider number as well as the NPI Number. It is imperative that both the NPI number and the individual payer-assigned provider numbers are configured within Kareo. The NPI number is entered under the “General” tab of the provider record; the payer-assigned provider numbers are entered under the “Provider Numbers” tab of the provider record.
- Provider numbers (as well as the provider NPI) are included on claims so that payers can properly identify the provider. These numbers are sent both on electronic claims (i.e., ANSI-837) and on paper claims (e.g., CMS-1500 Forms); and are absolutely essential for claims adjudication.
- In addition to your common provider number types (1A/1B - Blue Cross/Blue Shield, 1C - Medicare, 1D - Medicaid, 1H - Tricare/CHAMPUS, and G2 - Commercial), there are some special rules for setting up other types of provider identification numbers. If you click on the link at the top of the **New/Edit Provider** task, you can download the “Kareo Provider and Group Numbers Guide.” This guide is a “MUST READ,” and provides detailed instructions for correctly configuring provider numbers within Kareo.
5. Enter each provider number and save the provider number record. (Refer to the Provider and Group numbers guide to step you through this process.)
6. When you finish adding the new provider record, click **Save** on the Task Button Bar, or to exit the task without saving the new provider record, click **Cancel**.
7. Repeat the above steps to add additional providers to the practice.

Note that once a provider record has been saved and you then reopen the record, a third tab will be displayed allowing you to store any provider-specific documents with the record. To learn more about attaching or scanning documents to a record, refer to Online Help or the Kareo User Manual under **Managing Documents**.

For more detailed information on adding, editing, or deleting providers and/or provider numbers, you can also refer to Online Help or the Kareo User Manual under **Setting Up a Practice > Setting Up Providers**.

#### 4.1.4 Setting up Service Locations

You must set up one or more service locations before you can begin scheduling appointments, entering encounters, or sending claims. Service locations are places where the providers render medical services to patients. This includes the main office, satellite offices, local hospitals, outpatient clinics, rehabilitation centers, etc.

Follow these steps to set up one or more service locations:

1. On the **Settings** menu, click **Service Locations**. This opens the **Find Service Location** task (or browser).
2. Click the **New** button on the Task Button Bar at the bottom of the browser to open the **New Service Location** task.
3. Enter the information within the fields shown. **Note:** Be sure to click the down-arrow on the right of the **POS** and **Facility ID Type** fields to select the place of service and Facility ID type from the drop-down lists. These are preset lists provided by Kareo.
4. Click **Save** on the Task Button Bar to save the new service location record.
5. Repeat the above steps to add additional service locations.

For more detailed information on adding, editing, or deleting service locations, refer to Online Help or the Kareo User Manual under **Setting up a Practice > Setting up Service Locations**.

#### 4.1.5 Setting up Departments

If you wish to categorize providers by department for reporting purposes, use the **New Department** task to set up these departments for the practice.

Follow these steps to set up one or more departments:

1. On the **Settings** menu, click **Departments**. This opens the **Find Department** task (or browser).
2. Click the **New** button on the Task Button Bar at the bottom of the browser to open the **New Department** task.
3. Enter the name for the department, and any description you wish to add.
4. Click **Save** on the Task Button Bar to save the new department record.
5. Repeat the above steps to add additional departments to the practice.
6. Once your departments have been set up, be sure to return to the individual provider records, and select the department that each provider is assigned to, if applicable.

For more detailed information on adding, editing, or deleting departments, refer to Online Help or the Kareo User Manual under **Setting up a Practice > Setting up Departments**.

#### 4.1.6 Setting up Group Numbers

Group numbers are identification numbers assigned to a medical practice by most of your major payers. Insurance payers that generally assign group numbers are Medicare, Medicaid, Tricare/CHAMPUS, and Blue Cross/Blue Shield. Typically a group number is assigned by these payers when there are multiple providers within the practice, and each provider is billing as part of a group. The exception to this is with Tricare and Medicare, who are beginning to assign both group numbers and individual provider numbers to single-provider practices as well.

It is important to understand that if a practice has been assigned a group number, you will always have an individual provider ID for each physician in the group as well; and both numbers must be entered in Kareo and linked to the appropriate insurance company or plan in order for your claims to be processed correctly. Group numbers are entered in the **Group Numbers** task; and provider numbers are entered under the "Provider Numbers" tab of each individual provider record.

Medicare payers in certain states also require that a payer-assigned submitter number be included when submitting electronic claims to them. If you will be submitting Medicare claims electronically through the MedAvant clearinghouse, and have been assigned a submitter number by a Medicare payer, then you **MUST** enter the submitter number in the **Group Numbers** task and link that submitter number to the Medicare payer who issued the number. This is not necessary when submitting electronic claims through GatewayEDI since the payer-specific submitter numbers will be automatically set up in their system.

As mentioned in Section 4.1.3 above, Kareo has prepared a separate document, entitled "Kareo Provider and Group Numbers," guide that will explain in detail how to set up and configure provider and group numbers within Kareo. It is imperative that you review this guide carefully before setting up your group numbers (as well as any required submitter numbers).

To set up one or more group numbers for the practice, do the following:

1. On the **Settings** menu, click **Group Numbers**. This opens the **Find Group Number** task (or browser).
2. Click the **New** button on the Task Button Bar of the browser to open the **New Group Number** task. Note that the screen is identical to the screen for setting up provider numbers in the system.
3. Enter each group number and save the record. (Again, refer to the Provider and Group numbers guide to step you through this process.)

For more information on adding, editing, or deleting group numbers, you can also refer to Online Help or the Kareo User Manual under **Setting up a Practice > Setting up Group Numbers**.

## 4.1.7 Setting up Contracts

### 4.1.7.1 Understanding Contracts and How Fees are Determined

Most health care providers may have different fees for their services depending on the billing situation. For example, a provider may have one set of fees for self-pay patients but a different set of pre-negotiated fees with specific insurance companies. All fees are determined by the fee schedules associated with contracts. You must set up one or more contracts, and their corresponding fee schedules, before billing for medical services.

There are two types of contracts. First, the “Practice Standard” contract is used to track the usual and customary fees generally applicable for a provider. Second, the “Insurance Specific” contract is used to track a pre-negotiated fee schedule associated with a contract between a health care provider and a government payer or an insurance company.

When entering encounters, the charge amount for a specific procedure is determined by the patient’s insurance policies and the contracts set up for a practice. If the patient has a primary insurance policy from an insurance plan that is associated with an “Insurance Specific” contract, then the system determines the charge amount based upon the fee schedule set up for that contract. If the patient has a primary insurance policy with an insurance plan that is NOT associated with an “Insurance Specific” contract or if the patient will be paying for the service themselves, then the system determines the charge amount based upon the fee schedule set up within the “Practice Standard” contract.

### 4.1.7.2 Setting up Practice Standard Fee Schedule

Both “Practice Standard” and “Insurance Specific” fee schedules are accessed through the **Contracts** task.

To set up a “Practice Standard” fee schedule, do the following:

1. On the **Settings** menu, click **Contracts**. This opens the **Find Contract** task (or browser).
2. Click the **New** button on the Task Button Bar at the bottom of the browser to open the **New Contract** task.
3. At the top of the task are two radio buttons: **Practice Standard** and **Insurance Specific**. Since the “Practice Standard” contract does not relate to a specific insurance plan, then click the **Practice Standard** radio button. (“Practice Standard” will also be used when billing non-insured patients.)
4. Once **Practice Standard** is selected, you will enter the remaining information under the “General” tab, you will enter the fee schedule detail under the “Fee Schedule” tab, and then you will select the providers and service locations associated with the fee schedule.
5. Click **Save** on the Task Button Bar to save the new contract record.

For more detailed information on setting up “Practice Standard” contracts and fee schedules and performing other tasks related to fee schedules (e.g., copying fee schedules from one practice to another, printing fee schedules, etc.), refer to the relevant topics in Online Help or the Kareo User Manual under **Setting up a Practice > Setting up Contracts**.

### 4.1.7.3 Setting up Insurance Specific Contracts

Note that Insurance Specific contracts and fee schedules are also accessed through the **Contracts** task,

To set up an “Insurance Specific” contract and related fee schedule, do the following:

1. On the **Settings** menu, click **Contracts**. This opens the **Find Contract** task (or browser).
2. Click the **New** button on the Task Button Bar at the bottom of the browser to open the **New Contract** task.
3. Since an “Insurance Specific” contract relates to a specific insurance plan or possibly multiply insurance plans, then click the **Insurance Specific** radio button.
4. Once “Insurance Specific” is selected, note that an additional tab will appear labeled “Insurance Plans.” After completing the remaining information under the “General” tab, you will select the insurance plan or plans that are governed by the contract. You will also set up the fee schedule, and then you will select the providers and service locations associated with the contract.
5. Click **Save** on the Task Button Bar to save the new contract record.

For more detailed information on setting up “Insurance Specific” contracts and fee schedules and performing other tasks related to fee schedules (e.g., copying fee schedules from one practice to another, printing fee schedules, etc.), refer to the relevant topics in Online Help or the Kareo User Manual under **Setting up a Practice > Setting up Contracts**.

#### 4.1.8 Setting up Encounter Forms

You can use the Encounter Forms task to set up the encounter forms within the application. These encounter forms are similar to the preprinted encounter forms (also referred to as Superbills or Fee Tickets) used by providers. Basically, they are templates which include the diagnoses and procedure codes normally used during encounters with patients.

If there are several providers within a practice, you can set up an encounter form for each of the providers, or use one encounter form for the entire practice.

Follow these steps to set up one or more encounter forms for the practice:

1. On the **Settings** menu, click **Encounter Forms**. This opens the **Find Encounter Form** task (or browser).
2. Click the **New** button on the Task Button Bar at the bottom of the browser to open the **New Encounter Form** task.
3. Note that this task allows you to enter a name and description of a custom encounter form; add both procedure and diagnosis codes, and then select a specific print format to match as close as possible to the preprinted encounter forms typically used by the practice.
4. Once one or more encounter forms have been set up, be sure to return to each of the provider records and select the default encounter form to be used by each provider.

For more detailed information on setting up and managing encounter forms, refer to Online Help or the Kareo User Manual under **Setting Up a Practice > Setting Up Encounter Forms**.

#### 4.1.9 Setting up Procedure Macros

Procedure macros are special procedures that, when entered within an encounter, loads multiple procedures, modifiers, and diagnoses codes into a procedure line item. Since many patient visits are nearly identical, these procedure macros provide a convenient shortcut that can dramatically save time when entering procedures performed during an encounter.

If a user enters the name of a procedure macro as an alternative to entering a normal procedure code, then all of the procedures, modifiers, and diagnoses are pulled into the encounter when entering charges.

Procedure macros can be set up at a later time when it is more convenient for you or another designated staff member to do so. For more detailed information on adding, editing, or deleting procedures macros, refer to Online Help or the Kareo User Manual under **Setting Up a Practice > Setting Up Procedures Macros**.

#### 4.1.10 Setting up Referring Physicians

Referring physicians are third-party physicians who have referred patients to various providers within the practices you serve. Entering referring physicians is important for several reasons. First, many insurance companies require information about referring physicians for proper reimbursement. Second, you can use analysis reports that enable you to track the income generated from referrals. Finally, the referring physician records include information you may need in order to contact the referring physician.

Setting up a referring physician record is similar to setting up a provider record; except that in most cases, only the referring physicians name, business address, specialty, and NPI #, are required under the “General” section of the provider record; and the provider’s UPIN Number (Type 1G) is required under the “Provider Numbers” tab; except when billing Medicaid. Medicaid payers require the referring physicians 1D Medicaid Provider Number, instead of the Provider UPIN Number.

Follow these steps to set up one or more referring physicians:

1. On the **Settings** menu, click **Other Lists** and then click **Find Referring Physicians**. This opens the **Find Referring Physician** task (or browser).
2. Click the **New** button on the Task Button Bar at the bottom of the browser to open the **New Referring Physician** task. Note that this task is similar to the **New Provider** task. The task is separated into two tabbed sections: “General” and “Provider Numbers.”

Under the “General” tab, you will enter the physician’s basic demographic information. Note that not all fields under the “General” tab of a referring physician record are required fields; however, we do want to call your attention to a few of the fields that should always be completed to avoid possible claim rejections. These fields are as follows:

- **Name and Degree:** Full name of referring physician, and the physician’s degree (MD, DO, PhD, etc.)
- **NPI:** Many of your larger insurance payers are now requiring both the National Provider Identification (NPI) number as well as the legacy provider number for referring physicians. To avoid claim rejections, make sure that the referring physician’s NPI number is entered on all referring physician records.
- **Specialty:** Some payers require the referring physician’s taxonomy code.
- **Address:** When a DME-related procedure code has been entered on an encounter record, and the referring physician has been named as the ordering provider, then when submitting claims to Medicare, the referring physician’s business address is sent along

with electronic claims. If you will be billing DME-related procedures, make sure that the physician's business address has been entered on the physician's record.

- **Office Phone Number:** Although not typically required by insurance payers, this should be an internal requirement for all referring physician records so that the medical or billing office staff can contact the referring physician's office if the need arises.

3. Under the "Provider Numbers" tab, you will add one or more provider numbers.

As mentioned previously, the only Referring Physician provider number typically required by insurance payers is the physician's UPIN number. You would set this up the same way that you set up a provider numbers for a provider within the practice. However, for UPIN numbers, you do not need to select a specific insurance payer or a specific service location. In the **Type** field, you would select "1G – Provider UPIN Number;" in the **Insurance Scope** field, you would select "All Insurance Companies and Plans;" in the **Provider Number** field you would enter the referring physician's UPIN number; and in the **Attach To** field, you would leave the field set to "Paper and Electronic Claims and Eligibility."

**Exception:** For Medicaid claims, a "1D – Medicaid Provider Number" will be required for referring physicians that will be named on claims billed to Medicaid. When adding a "1D – Medicaid Provider Number," you must link the number to the specific Medicaid payer being billed.

For more detailed information on adding, editing, or deleting referring physician records, refer to Online Help or the Kareo User Manual under **Setting Up a Practice > Setting Up Referring Physicians**.

#### 4.1.11 Setting up [Field] Categories

The Categories task allows a practice to set up a custom-defined category field and then generate various reports; and filter and group the reports by category. Currently, the system only supports a custom category field in payment records; however, in future releases, Kareo plans to support these custom category fields in other records in the system (such as appointment, patient, and encounter records).

Since creating custom-defined categories is purely optional, you may wish to wait until you find a need to add a custom category field to the system.

For more detailed information on adding, editing, or deleting custom categories, refer to Online Help or the Kareo User Manual under **Setting Up a Practice > Setting Up Categories**.

#### 4.1.12 Understanding Posting Dates and Closing the Books

Every financial transaction, such as a charge or a payment, is recorded with a Post Date that is entered by the user. The Post Date is the effective date that you want the financial transaction to appear on your financial reports. The Post Date for any financial transaction in the system defaults to today's date but can be changed by the user.

Closing the Books is an accounting process that is commonly used to prevent changes to financial reports for prior accounting periods that have already been reported to investors, management, bankers, or the government for tax purposes. You can periodically enter a Closing Date, which is effectively the last date your books have been "closed" from an accounting perspective.

Once you enter a new Closing Date, the system will prevent any user from entering new financial transactions with a Post Date that is prior to your last Closing Date. This ensures that users cannot modify the financial reports for prior accounting periods. Any changes or adjustments are "posted" into the system within the current accounting period.

Most companies "Close the Books" on a monthly basis. Typically, companies "Close the Books" on a prior month (e.g. May 2006) sometime in the first couple weeks of the next month (e.g. 6/13/2006) by moving their Closing Date forward to the last day of the prior month (e.g. 5/31/2006) once they have entered all charges, adjustments, and payments they want posted into that month. The system will not allow any user to enter new transactions with a Post Date that is prior to the last Closing Date.

To use the "Closing the Books" feature, do the following:

1. On the **Settings** menu, click **Options** and then click **Closing the Books**. This opens the **Closing the Books** task.
1. To set a closing date, click the checkbox on the upper left corner of the task and then enter the New Closing Date. **Caution:** Setting a new closing date is an irreversible action once a practice has been established and financial transactions have taken place. Once you move the closing date forward, you cannot move it backward.
2. Click **Save** on the Task Button Bar to save the date change.

#### 4.1.13 Configuring Encounter Options

There are certain settings under encounter options that relate to how encounters are entered into the system. The various configurations should probably be determined by the office manager or office administrator within each of the respective practices. Once the users begin to enter encounters in the system, they will be able to tell what will work best for them; and then configure the settings accordingly. When the medical practice is ready to begin entering encounters in the system, you may want to point the office manager or office administrator to

the detailed instructions in the Online Help or Kareo User Manual under **Setting up a Practice > Managing Practice Options > Configuring Encounter Options**.

One of the settings under this task also has to do with how a medical practice handles copays when entering encounters. There is a special features guide that can be downloaded from the Kareo Help and Support website that explains in detail how to manage copays. This is an important guide that both you and each user of the medical and billing office should read prior to entering encounters in the system. This features guide is entitled “Managing Copays” and can be found under the “Guides” section of the Kareo Help and Support website.

#### 4.1.14 Setting up the Scheduler

The appointment scheduler can be used to manage patient and non-patient appointments with providers or other types of resources in the medical practice. The scheduler provides access to daily, weekly, and monthly calendar views with color-coded appointments organized by provider, resource, and service location. Your client practices can use appointment reasons to pre-configure the providers, resources, and durations of appointment types. They can set up office hours, service locations, and custom-scheduling resources. And they can use the Timeblock Calendars to set up blocks of time for certain types of appointments, or to block out times when a provider or other resources is not available for scheduling.

The medical office manager or office administrator would normally be responsible for setting up the appointment scheduler based on the client’s needs. However, you may want to become familiar with the tasks associated with setting up the scheduler by reviewing the relevant help topics in Online Help or the Kareo User Manual under **Using the Appointment Scheduler**.

## 4.2 Enrolling in Electronic Claims Services

You can submit health care claims for providers through connections to thousands of insurance companies or government payers. However, there are a few things you need to know about activating electronic claim services.

There are two general categories of payers that accept electronic claims. First, there are certain commercial insurance companies (e.g. Cigna, United Healthcare, etc) that allow you to submit electronic claims immediately once your account has been activated for electronic claim services. Second, there are other payers (e.g. Medicare, Medicaid, Tricare/CHAMPUS, Blue Cross/Blue Shield, etc) that require providers to submit enrollment agreements for electronic claim services. The enrollment process with the second category of payers can take up to 30 days or more.

Kareo highly recommends that you complete and submit your enrollment form and individual payer agreements as soon as possible to avoid any delays in your billing cycle. For more information about enrolling in electronic claim services, please refer to the “Kareo Enrollment Guide for Electronic Services.” This enrollment guide can be downloaded from the “Guides” section of the Kareo Help and Support website.

## 4.3 Enrolling in Electronic Remittance Services

Many insurance companies and government payers provide electronic remittance advice (ERA) reports and issue payments through electronic funds transfer (EFT). Using these services in conjunction with Kareo can save you significant time in posting payments and reconciling responses from payers as compared to manual payment posting using the older paper explanation of benefits (EOB) reports. However, there are a few things you need to know about activating electronic remittance services.

Not all payers require a separate enrollment agreement in order to deliver electronic remittance advice (ERA) reports. However, certain payers do require a separate enrollment agreement, especially those payers that also offer electronic funds transfer (EFT) services. When you enroll for electronic remittance services, the practice typically has the option of receiving the funds via a paper check mailed to the practice’s pay-to address, or by receiving funds through EFT. If the practice opts for EFT services, the practice must supply their banking information so the payer knows how to route the funds.

It usually takes about 30 days from the date that you submit your enrollment to the date when the payer begins delivering your first electronic remittance reports. Therefore, Kareo highly recommends you complete and submit your enrollment agreements as soon as possible to avoid any delays in your billing cycle.

For more information about enrolling in electronic remittance services, please refer to the “Kareo Enrollment Guide for Electronic Services.”

## 4.4 Enrolling in Patient Eligibility Services

Kareo’s electronic patient eligibility services enable you to submit eligibility verification requests directly from the Kareo application. Using Kareo’s real-time patient eligibility engine empowers you to make sure patients have valid insurance coverage before scheduling the patient’s visit, which helps reduce downstream claim denials and uncollectible accounts receivable. Note that this service is only available with the Enterprise Edition of Kareo.

You can perform real-time patient eligibility checks for many of the larger government and commercial insurance payers through Kareo’s clearinghouse interface to MedAvant.

Most insurance payers that offer these services do not require a separate enrollment agreement; however, a handful of payers do require that you enroll with them. To learn more about enrolling in patient eligibility services, please refer to the “Kareo Enrollment Guide for Electronic Services.”

Also, once you have enrolled in patient eligibility services, there are certain settings within the Kareo application that must be configured correctly in order to successfully perform electronic eligibility verification. These settings are discussed in a separate features guide entitled “Real-Time Patient Eligibility.” Also included are step-by-step instructions for performing eligibility checks. This guide can also be downloaded from the “Guides” section of the Kareo Help and Support website.

## 4.5 Enrolling in Patient Statement Services

Kareo provides an integrated process for preparing and sending patient statements through a third-party mailing house within 24 hours of submitting your statements through the software. If you will be using PSC Info Group, which is the recommended vendor used by the majority of Kareo’s customers, you will not be required to pre-enroll. Once you configure the settings within Kareo and once you send your first batch of statements, you will be automatically enrolled in these services.

For more information about configuring patient statement options within Kareo, refer to Online Help or the Kareo User Manual under **Setting up a Practice > Managing Practice Options > Configuring Patient Statement Options.**