Beyond the Code

USING CODING TO DEVELOP VALUE-ADDED SERVICE

By Holly Louie, RN, CHBME

Whether you code or process codes from clients, you have an inordinate amount of data about your client's practice. That data can be turned into useful and potentially invaluable information to assist your clients in areas such as practice management, risk management, revenue enhancement, contract negotiations, and practice efficiency. More importantly, you can demonstrate why the client should reimburse you for this information that is not available from anyone else.

Many billing company reports are a standard package of data that tells the client the number of CPT codes, RVUs by doctor, collection percentages, payor mix, etc. That is certainly useful information, but let's consider some real life examples in which billing companies have demonstrated that their services are worth more. **Remember that even if you do not code, the codes are available to you.**

Risk Management: A billing company provided coding services to multiple radiology groups. The coding department noticed that one facility had "a lot" of interventional procedures due to post-operative wound infections. Data analysis of ICD-9 codes demonstrated a post-operative infection frequency of five times all other practices. Additional analysis identified one referring physician in all of the cases! Based on the information, the client worked with the hospital's case review department and found that a surgeon was an antibiotic resistant staph carrier. Not only did this save the hospital time and money, but patient outcomes improved. Everyone was happy and the billing company was the hero.

Practice Efficiency: A hospital was concerned about emergency department wait times. The billing company for the emergency group entered the arrival and discharge or admit times for each patient. Reports sorted by diagnosis code, time in the department, and physician quickly identified that three physicians consistently took an average of 48 minutes longer than their peers to treat the same diagnosis. The objective data allowed the emergency practice to make informed decisions in staffing and addressing hospital concerns.

Practice Management: A group of physicians questioned whether expanded office hours were benefiting their patients. They also wondered whether a physician or mid-level practitioner should staff the expanded hours. The billing company provided a report that integrated new and established patients' diagnoses with payor and number of patients by hour of day. Using that information the practice could accurately assess the cost/benefit ratio of early morning, evening, and/or weekend hours.

Compliance: A large clinic asked its billing company for assistance in identifying potential risk areas that should be reviewed. The billing company compared the estimated time to provide each service to the hours each physician worked. The resulting comparison revealed that one physician had a pattern that would average 27 hours per day! The billing company also compared E&M levels by diagnosis by physician. Again, it was easy to identify two physicians with significantly different coding patterns.

The recent publications regarding a Corporate Integrity Agreement (CIA) with a billing company bring home the need to identify, address, and correct risk areas. Many clients want to know if they are statistical outliers. A report demonstrating covered vs. non-covered diagnoses is an excellent starting point in risk analysis. While we all strive to collect the maximum appropriate dollars for our clients, some reports should raise big, red flags. Comparing "covered" diagnosis codes to CPT codes can provide illuminating information—such as a client who is fortunate to have a practice perfect enough so that a non-covered diagnosis has never been submitted.

Contract Negotiation: Knowing payor mix, collection percent, RVU, and CPT utilization may not be sufficient to negotiate a good contract or to make participation decisions. A large, multispecialty practice asked its billing company to help it gain in-depth knowledge regarding its payor contracts. Using the standard measures above and information from the client, the billing company added more detail by creating a practice report that reflected: 1) the actual practice cost to provide a specific CPT code or type of service, 2) the allowable amount, and 3) the net profit or loss for each service by payor.

Data provides information, information leads to knowledge, and knowledge is power. Use it to wow your current clients and attract new ones.

Food for Thought

I thought I would share some of the joys of coding. Try your skills on these!

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The following are actual patient notes sent to the coder:

- The baby was delivered, the cord clamped and cut and handed to the pediatrician, who breathed and cried immediately.
- The patient had waffles for breakfast and anorexia for lunch.
- The patient left his white blood cells at another hospital.
- I then prepped and raped the patient in my usual style.

Happy coding! ■

Holly Louie, RN, CHBME, is compliance officer at PMI in Boise, ID. She can be reached at holly@pmiboise.com

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telling the offender what the service was and how much is due. Then send a final notice. Lastly, send a pre-collection letter. The key is to get the guarantor motivated to do something. Eliminating statements can be a huge savings and can improve your client's collections.

Hopefully these ideas I've shared with you will steer you to your definition of success and give you some pointers on how to keep the profit level up to fund it. ■

Dave Jakielo, Seminars and Consulting, 86 Hall Avenue, Pittsburgh, PA 15205. Phone and Fax numbers are 412/921-0976. Email dave@davidjakielo.com. Web site www.DavidJakielo.com

Calendar of Events

- **October 8, 2004**
  Southwest Regional Meeting
  DoubleTree Hotel
  Campbell Centre
  Dallas, Texas
- **October 28-30, 2004**
  Owners & Managers Conference
  Chateau Sonesta Hotel
  New Orleans, Louisiana
- **November 12, 2004**
  NEW DATE
  Pacific Regional Meeting
  DoubleTree San Diego, Mission Valley
  San Diego, California
- **November 12, 2004**
  Southeast Regional Meeting
  DoubleTree Club, Atlanta Airport
  Atlanta, Georgia
- **February 10-12, 2005**
  Owners & Managers Conference
  Laguna Cliffs Marriott Resort & Spa
  Dana Point, California
- **March 21-24, 2005**
  Operational Compliance Conference
  Grand Hyatt Atlanta In Buckhead
  Atlanta, Georgia
- **April 21-23, 2005**
  Spring Educational Conference
  Pointe South Mountain Resort
  Phoenix, Arizona