



Case Study

Coding Compliance Partners Transform Coding Operations of Large U.S. Health System



Our client is a nonprofit, academic medical system in the U.S. with over 2,000 beds. To reduce expenses, and focus attention on other internal revenue cycle functions, our client outsourced its professional coding operation to an offshore coding vendor.

Over time, **our client experienced ongoing quality concerns with its coding vendor**; including compliance issues, inconsistent application of coding guidelines, and adherence to KPIs. The complexity of the issues demanded extensive resources and deep expertise from experienced external partners.

Our client engaged CodingAID, a division of Managed Resources, Inc., to assess the scope of the problem, and offer solutions to address them.



Our Approach & Scope

CodingAID proposed and implemented a **comprehensive coding and compliance audit to review provider documentation and coding services**. The objective of the audit was to identify potential for 1) risk 2) exposure 3) fraud/waste and 4) missed revenue, while offering an action plan to address any performance gaps.

Services: Professional Coding & Documentation Audit (of offshore coding vendor)

Audit Sample: All active providers (600), audited 2x/year, 10 charts/provider

Audit Type: Retro (post-bill)

Audit Groups: 5 (ACC/PCC, JMG, JHS, ER, BH)

Payers Included: All

Code Review: Patient's medical record vs. billed code reported on claim (E/M, CPT, HCPCS, units, modifiers, and first (4) ICD-10 diagnosis)

Code Categories: E/M, CPT/HCPCS, ICD-10

Key Findings from Audit

After completion of Compliance Audit, CodingAID identified **5 key issues** that were having major impact on overall performance.

- Medicare Annual Wellness Visits (AWV) Not Supported by Documentation
- E/M Services Over & Undercoded (incl. G2211)
- ICD-10 Coding Errors
- Date of Service Discrepancies
- Copy + Pasted Documentation

Audit Team

- Certified in CPC, CCS, CCS-P, CDIP, RHIA, RHIT, CPC, COC, RN, LVN, & more
- EMR Systems: EPIC, Cerner, Next Gen, Meditech, & more
- Experience working at Level 1 Trauma and teaching facilities, with highly specialized cases



Action Plan & Implementation



Create Compliance Tracker: Tracking and resolving coding errors became difficult to track for our client, its offshore vendor, and CodingAID. To streamline workflows, CodingAID created and implemented a Compliance Tracker, to act as a running report of all

Post-Audit Education & Prevention Training: After the initial audit was completed, CodingAID provided ongoing education and prevention training to our client's staff. CodingAID highlighted top concerns from the audit, reviewed coding guidelines, illustrated best practices, and reviewed specific documentation examples from the audit.

Results

CodingAID's experienced compliance team **transformed** our client's coding practices by providing a reliable partnership, and deep expertise to solve complex coding challenges.

After **review of 14,674 cases**, from Q4 2022 to Q1/Q2 2024, CodingAID's audit resulted in improved accuracy rates across all 3 code categories: E/M, ICD-10, and CPT/HCPCS.

E/M Overall Accuracy

74% → 85%

ICD-10 Overall Accuracy

84% → 89%

CPT/HCPCS Overall Accuracy

90% → 91%

*Diagram shows accuracy rate changes from 2022 Q4 - 2024 Q1/Q2, across 14,674 cases.

Conclusion

By partnering with CodingAID to perform a Compliance Audit on its offshore coding vendor, our client uncovered critical recurring coding and documentation mistakes.

After its Compliance Audit, our client significantly improved overall accuracy rates across all 3 code categories: E/M, ICD-10, and CPT/HCPCS, and strengthened its coding practices with post-audit education and prevention training.



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