



Case Study

Clinical Charge Audit Reveals
33% Error Rate After Hospital
System Implements New EMR



Client Challenge

Our client is a large U.S. medical center with over 350 beds. After implementing a **new EMR system, our client began to experience issues with the Level of Care (LOC) charged**, prompting financial and compliance concerns. They engaged Managed Resources to perform a clinical charge audit and policy review for Clinical Care and Elopement.

Our Approach

Managed Resources' RN Auditors performed a **comprehensive clinical charge audit of 170 accounts** based on client specifications. The Audit Team reviewed:

- Level charged by the facility
- Level indicated by the EMR program calculation
- Criteria that were missing from the EMR calculation due to lack of documentation
- Level determined by ACEP (American College of Emergency Physicians) criteria
- RN Auditor agreement or disagreement of level billed

Audit Results

After reviewing 170 accounts post-EMR transition, Managed Resources discovered a significant error rate (33%), and percentage of errors resulting in revenue loss (63%).

Total Accounts Audited



170

Error Rate Discovered



33%

Errors Resulting in Revenue Loss



63%

Audit Team: Managed Resources, Inc. **exclusively employs Registered Nurses** for all clinical charge audit reviews. Our Audit Team has clinical experience across multiple settings, ensuring a comprehensive understanding of various electronic medical records and clinical environments.



Audit Results (Cont'd)

Managed Resources' findings indicated issues with coding of 99281, 99282 and 99291 (Critical Care). Issues included instances of undercoding and overcoding, resulting in inaccuracies and revenue loss.

Level Charged		Recommended Level Based on Documentation					
		99281	99282	99283	99284	99285	99291
99281	29	12	5	12			
99282	31	2	19	10			
99283	38			34	4		
99284	29			1	24	4	
99285	18				1	17	
99291	25				2	15	8

Example Case From Audit

Example: Patient sent by PMD for elevated BP of 191/113. Seen for Medical Screening Exam by PA @1059. Labs drawn; EKG completed. Hypertension, PA Exam, Triage Nursing Assessment, Labs, & EKG, repeat BP 180/100 but not seen by MD prior to elopement. Facility billed a Level 99281 but according to regulations and ACEP criteria, this account warranted a charge of 99283.

Findings: Elopement Prior to MD face-to-face not being charged or charged a lower level than indicated. Prior to the patients leaving the ED, most were seen in the Triage Area by a Physician Assistant or Nurse Practitioner, examined and testing ordered and completed.

Recommendation: The visit can be billed when the PA or NP provides a medical Screening Exam and initiates the care for the patient. We also recommended a fast-track in the Triage Area for patients with straight forward problems that could be managed by the NPs and PAs to decrease elopements.

Conclusion

By partnering with Managed Resources to undergo a clinical charge audit to address Level of Care (LOC) charge concerns after implementing a new EMR system, our client uncovered a significant error rate that resulted in revenue loss.

After its clinical charge audit and policy review (Critical Care and Elopement) was completed, our client recalibrated operations and improved procedures to mitigate future charge errors and revenue loss.

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