Case study:
Outpatient clinical documentation improvement (CDI) at “Medical Center”*
Southeastern United States

“Accurate clinical documentation is no longer a low-level priority for organizations today. It is a vital component to patient care, physician satisfaction and revenue cycle strategies.”
– Report from AHIMA’s 2014 Clinical Documentation Improvement Summit**

3M Health Information Systems

3M products used by Medical Center
- 3M™ Outpatient CDI Services
- 3M™ Ambulatory Revenue Management Software
- 3M™ 360 Encompass™ System

Snapshot of Medical Center
Located in the Southeastern United States, the 400-bed Medical Center is an anchor facility for a large, independent not-for-profit health system. It offers a full range of inpatient acute care services, comprehensive outpatient services, and primary care services through its network of physician practices. Within the last few years, Medical Center has experienced tremendous growth in its outpatient services.

Medical Center is a long-standing 3M client and over the years has established effective clinical documentation processes, particularly for inpatient care. 3M solutions have also helped Medical Center streamline its billing and reimbursement processes.

Step #1: Identify the challenges
Medical Center took stock and identified its most pressing outpatient challenges as:
- The move to value-based payments
- Payment denials related to improper coding
- Appropriate coding for the right care setting
- Growing shift in volume from inpatient to outpatient services

Given the growing proportion of direct revenue from outpatient services, Medical Center knew it was time to address outpatient CDI. The organization called on 3M for help.

*Because of client confidentiality, this case study has substituted “Medical Center” for the actual organization’s name. The snapshot description is accurate and the facts and figures reported as results are true to 3M findings; only the institution’s name has been altered for privacy reasons.

Step #2: Respond strategically

3M Consulting Services performed a thorough assessment of the organization’s records, reviewing and analyzing one year of outpatient claims data for edits, issues and common document deficiencies. The 3M consultants quickly identified factors that may have contributed to payment delays, denials, or inadvertent write-offs. The consultants also searched for potential compliance issues, so that corrective action could be taken—if necessary.

For the assessment, 100 records received a thorough review—50 randomly chosen and 50 specifically selected records. The records were also examined to assess readiness for the ICD-10 documentation and coding processes. As part of the assessment, key staff members were interviewed so 3M consultants could get the full picture of the current processes.

Based on the assessment, 3M recommended:

- A boost in physician and coding education
- Quick execution of policy changes
- Refresher training on the existing 3M™ Ambulatory Revenue Management Software (ARMS)

The 3M consultants knew these actions would address the challenges and strengthen documentation and coding accuracy and compliance. They were right.

Step #3: Deliver real results

3M’s record review and staff interviews revealed three major opportunities for Medical Center:

1) Achieve appropriate reimbursement through more accurate coding and documentation. In the reviewed records:

- Nearly 300 records required documentation clarification or additional diagnosis coding. Result: $220,000 in reimbursement opportunities.

- Eleven occurrences of patients receiving IVIG who did not have the correct diagnosis code in their documentation. Accurate diagnosis codes for these patients would mean an additional $38,000 in reimbursement revenue.

- Adherence to the Medicare policy for orders of “inpatient only” surgeries was missing in several cases; the surgeries were written for outpatient and not identified until later. Result: A $71,000 financial impact on the hospital.

2) Create a comprehensive picture of services provided through complete and appropriate documentation. 3M found records where B-type Natriuretic Peptide (BNP) blood tests were not properly documented—while not a reimbursement issue, this error does impact accurate, complete and compliant documentation in the patient’s medical record.

3) Address potential compliance issues. Utilization in the emergency department appeared to be weighted more heavily on higher severity patients; if not accurately documented, this can open Medical Center to compliance scrutiny and audits.

3M’s work with Medical Center delivered real results. The organization now has a foundation for change that can strengthen outpatient revenue and improve compliance with payer policies.

The 3M impact

- $220,000 in total revenue opportunities identified
- $38,000 in coding accuracy improvement opportunities
- $71,000 in Medicare compliance opportunities
- An action plan for employee education
- Discovery of potential compliance issues within the emergency department
- Identification of inaccurate documentation in blood test records

Call today

For more information on how 3M products and services can assist your organization, contact your 3M sales representative, call us toll-free at 800-367-2447, or visit us online at www.3Mhis.com.