A case for change

In a Wall Street Journal article, “Why Software is Eating the World,” Marc Andreessen, Netscape co-founder and venture capitalist, makes the case that software has replaced, or is on the verge of replacing, “traditional business” in industries from booksellers to financial services. In each of Andreessen’s examples, software has automated tasks and streamlined workflows in such a way that the traditional way of conducting business is no longer a viable option. Automation doesn’t bring about building and doing things faster—it allows organizations to look at how they’re doing things differently. And, more often than not, allows them to do it better.

With the volume of changes coming to health care from EHR implementation, pay for performance and the transition to ICD-10, the “traditional” way of doing business is not a sustainable business model. Only by embracing the automated efficiencies that new software and technologies can offer will providers be able to survive and thrive in the new environment.

Challenges we face

Sweeping changes in health care are expected over the next several years, and as part of that change, delivery and payment models will differ dramatically. The list of challenges providers face is daunting:

- Declining reimbursement
- ICD-10 transition
- Coder shortages
- Medicare Recovery Auditors (MRA) audits
- Insufficient documentation
- Quality
- Pay for outcomes

Reality is, in this new ICD-10 environment, providers will have two options:

a) work harder; or
b) find a new way to do things.
The Patient Protection and Affordable Care Act (PPACA) will reduce Medicare expenditures by $418 billion over the next 10 years. Hospitals make up the largest portion of the federal healthcare spend, meaning that most of these cuts will come from hospital reimbursement. And, at the same time, with declining reimbursement, it is more critical than ever for providers to have complete and accurate documentation.

Coding, documentation and outcomes measurement are at the heart of these challenges. Unfortunately, our industry treats these as autonomous functions, using technology that compartmentalizes and creates gaps between them.

3M™ 360 Encompass™ System

The 3M 360 Encompass System seamlessly integrates computer-assisted coding (CAC), clinical documentation improvement (CDI), quality metrics, and analytics into one application that helps capture, analyze, and advance patient information across the care continuum. 3M 360 Encompass can help integrate and streamline clinical documentation and coding workflows, so coders and CDI specialists are able to work from the same content, reducing duplication.

For example, 3M 360 Encompass gives CDI specialists visibility into the auto-suggested codes, allowing them to identify the working DRG sooner in a patient’s stay. In addition, the natural language processing (NLP) engine in 3M 360 Encompass can locate evidence in the documentation that the CDI specialist may have overlooked and also identify information that may be missing and then auto-suggest a physician query—all while the patient is still in-house.

The 3M 360 Encompass System uses NLP to review the documentation and identify key quality metrics, including potentially preventable readmissions (PPRs) and complications (PPCs), as well as patient safety indicators (PSI), concurrent to the patient’s stay. This gives you the opportunity to take the action necessary to help prevent future quality issues with that patient.

With the 3M™ Coding and Reimbursement System as its foundation, 3M 360 Encompass combines 3M’s industry-leading clinical documentation improvement knowledge and software tools with proprietary NLP capabilities.

The system combines 3M expertise in the regulatory environment with powerful statistical methodologies to create a comprehensive NLP engine that uses both expert rules and statistics to deliver computer-assisted coding, clinical documentation improvement and quality metrics.

The result is that 3M 360 Encompass can help you improve the accuracy of your reimbursement and reduce costs across the healthcare continuum.
Transition to ICD-10

In anticipation of the transition from the ICD-9 to the ICD-10 code set, providers around the country are preparing for what they know will be a significant challenge.

Concerns for healthcare leaders range from having to educate physicians on the process to the loss of productivity with all of the challenges of getting coding correct.

These leaders have reason to begin planning early for this transition because of the size and far-reaching impact of the changes. A look at the specifics of ICD-10 shows a very difficult transition is ahead:

- The ICD-10 code system is much more specific—codes will include additional information about the locations, site of service, approach—to name a few
- Volume of codes goes from 17,000 to 144,000
- This 8x increase in complexity touches every system in health care

The impact of ICD-10 will be felt immediately. Think about a physician creating documentation for a patient. This is the first and most important step in the documentation-coding-billing workflow. This documentation is used for the delivery and communication of care among caregivers, generating analytics, creating codes, generating bills for payers, and metrics for profiling and reporting purposes. The quality of the documentation created by the physician at the start of this workflow affects every person and process that must use it afterwards.

Unfortunately, often a gap exists between the completeness of physician documentation of patient care and the information required for coding, profiling and compliance, which requires specificity in diagnosis terms. If complete information is not captured by the physician, the result is incomplete documentation for coding that impacts revenues through delays, irrecoverable costs, missed revenues and outcome measures that do not reflect the quality and complexity of the care delivered. ICD-10, with the additional complexity of codes and documentation specificity requirements, will only widen this gap.

To address this issue, hospitals will need 30 percent more coders than are currently working today—roughly $1.2 billion in additional labor costs across the U.S. healthcare industry. This, of course, does not take into account the cost associated with capturing all of the additional documentation needed, from physicians to clinical documentation improvement (CDI) specialists to coders who query. These costs have yet to even be quantified.
Reality is, in this new ICD-10 environment, providers will have two options: a) work harder; or b) find a new way to do things. Working harder means hiring more coders and CDI specialists, investing in hundreds of hours of additional training for them, and integrating multiple vendors to supply all of the various products needed. This adds up to increased costs, expenses and potential compliance risks, which is simply not a sustainable solution moving forward into this new economic environment.

The second option of finding a new way to do things means that you will need to find smarter, computer-assisted solutions for coding, documentation and performance measurement. Computer-assisted solutions should solve problems in new ways—not just make the old engine run faster. The solution should be based on the best expert content, combined with new technologies, such as natural language processing (NLP). NLP will be critical in the future, but the excitement in the discussions around technology methods cannot occur at the expense of the accuracy and completeness of the output. NLP is powerful, but it is not perfect. Without expert content and proven rules, inaccuracies may still occur.

As you evaluate automation solutions, you should look for solutions that use technology to leverage human expertise, in addition to being smarter and faster. Automation solutions for coding and documentation should:

- Integrate seamlessly with current coding workflow
- Facilitate collaboration between coders, documentation improvement specialists and physicians
- Incorporate technologies such as NLP and optical character recognition (OCR) to speed and improve processes
- Be able to deliver a correct, compliant code for billing without relying on other systems
- Automate critical documentation inputs, integrating inputs such as risk of mortality (ROM) and severity of illness (SOI) for both coders and CDI specialists
- Be as “real time” as possible

Another key feature of automation is end-to-end integration. This means having automation solutions fully integrated so that coding can be validated without leaving the coding workflow—no starts, stops or restarts when the technology cannot confidently suggest a code.

The time has come to eliminate the silos that separate coding from clinical documentation and move into a new world of automation that bridges the gap between the two, allowing you to adapt and face the challenges of healthcare reform and ICD-10.
Benefits of an integrated application

An integrated application can help you improve and streamline your workflows and build synergies by having your content work together. The 3M 360 Encompass System:

- Provides early warning indicators when documentation is insufficient
- Lets the user derive a concurrent working DRG at the beginning of a patient visit
- Offers a role-specific, at-a-glance dashboard of information for managing productivity and workload
- Auto-suggests physician queries to enable effective and immediate communication between coders, CDI specialists, physicians and care coordination teams
- Has real-time identification of quality metrics, including PPCs, PPRs and PSI

Additional features and benefits of 3M 360 Encompass:

- Can help improve coder productivity
- Highlights the difference between physician documentation and actual care delivered
- Allows you to leverage existing capacity to prepare for the ICD-10 transition
- Provides concurrent, not retrospective, access to actionable data
Planning for success: Financial health

At the core of payment reform is the shift of risk to providers, much of which will be measured by your coding and documentation. Coding and translating your data is entirely controllable, and if done accurately, can help your bottom line in the coming years of reform. Here are a few areas where reform can be addressed:

- Implementing a clinical documentation improvement program so your documentation accurately reflects the healthcare services you provide, and you are accurately paid for those services.
- Implement CAC technologies that can help you deal with the shift and increased volumes of codes under ICD-10. These tools should support your workflow when a confident code can’t be suggested—allowing your team to finish the coding process without leaving their workflow.
- Implement tools that deliver true automation of both coding and documentation improvement—marrying the two together and eliminating unnecessary silos.
- Implementing CAC and computerized documentation improvement, simultaneously with your EHR road map. These tools, accommodating the transition to a digital environment with NLP and handwritten documentation, automatically generate codes at the point of care, for review/validation based on clinical documentation. This data is then fed into the clinical EHR and the traditional coding system. Traditional coding and reimbursement are only as good as the completeness of the data input at the point of care. Better documentation coverage can help improve the accuracy of your outcome scores – a critical piece when you consider that payment is tied to quality in two percent reductions in 2013 for readmissions, no payment for hospital-acquired conditions, etc.

There can also be significant financial benefit for an average hospital when it can automate the documentation improvement process: Improved documentation can result in several percentage-point increases in case mix index (CMI), which in turn can help improve revenue capture. These same automation processes can reduce the time it takes to code, meaning a reduction in the cost of coding. These savings give you a few good options: 1) you do not have to hire more coders; 2) you can reassign your coders to more important auditing tasks.

Clearly, quantified data, achieved via coding processes, will only increase and rise in complexity as a means of interpreting the details of the care experience. The current and upcoming regulatory changes will drive workflow and business requirements, meaning that providers need expert tools to proactively determine the impact to financials and patient care.

In the end, it is important to remember that the efficiencies gained through CAC and computer-assisted documentation drive each other, and the best way to maximize the financial benefits of automation is to have these two linked and working in concert with each other.
Solutions ahead

Given the changes and trends sweeping through the industry today, healthcare organizations are looking for new solutions to address their needs. This search is moving beyond the traditional “one-product-for-every-function-or-department” approach.

As part of 3M’s ongoing strategy to respond to the evolving needs of our customers, 3M has focused its development efforts on bridging the gap between clinical documentation and coding workflows. These development efforts have resulted in a solution that provides deeper integration and increased automation to enable greater workflow efficiency. This automation solution can help our clients adapt and face the challenges of healthcare reform today and ICD-10 adoption in the future.
About 3M Health Information Systems

3M Health Information Systems works with providers, payers, and government agencies to anticipate and navigate a changing healthcare landscape. 3M provides healthcare data aggregation, analysis, and strategic services that help clients move from volume to value-based health care, resulting in millions of dollars in savings, improved provider performance, and higher quality care. 3M’s innovative software is designed to raise the bar for computer-assisted coding, clinical documentation improvement, performance monitoring, quality outcomes reporting, and terminology management. For more information, visit www.3Mhis.com or follow us on Twitter at @3MHISNews.

Footnotes


