Case study: On Demand Solutions, Inc.
Boise, Idaho

Capturing the right E/M codes in the ED

3M™ CodeRyte™ CodeComplete™

Services are a fully outsourced coding solution that offers clients a 48-hour turnaround time for their medical records. 3M’s team of certified coders provides medical and surgical coding for technical and professional services, delivering CPT® coding, ICDs, DRGs, APCs and associated modifiers, as well as PQRS codes and modifiers.

Clients can leverage this offering either periodically for backlogs or regularly as part of a comprehensive approach to help reduce turnaround times, denials and A/R.

“With checks and balances programmed throughout the process, we are assured that every record is captured and available to be coded. 3M’s technology gathers the different components of the record necessary for coding and combines it into one record that is truly reflective of the visit. This gives the coder time to spend capturing revenue the provider deserves.”

—Bonnie Carns, CEO, On Demand Solutions, Inc.

Snapshot of On Demand Solutions, Inc.

On Demand Solutions, Inc., serves as the practice administrator for a team of 50 emergency department (ED) physicians who provide care to the Treasure Valley region of southern Idaho through local hospital EDs. Additionally, On Demand supports a team of hospitalists, cardiology clinics and family practices in the region, and averages almost 100,000 patient encounters annually.

Chronic undercoding, missed revenue

On Demand Solutions, Inc., began as an in-house operation for a team of physicians, but in early 2006, leaders of the practice management component decided to venture out on their own to provide services for additional practices in the Boise, Idaho, area.

Initially, On Demand struggled with its largely manual operation for coding medical reports, with stacks of printed medical records and no system for organizing them. Awkwardly merged paper and computer systems required coders to switch between multiple computer screens and paper throughout the day. The company could not track coders’ work or the interactions between the coders and the EDs. All of these workflow factors threatened On Demand’s future progress.

The group also faced a challenge common to many ED practice administrators: determining appropriate service levels for procedures performed. On Demand found encounters were often coded conservatively, regardless of services provided and documented. Additionally, coding decisions were sometimes not based on records at all because of a cumbersome reconciliation process. This chronic undercoding put physicians at risk of not receiving full and appropriate reimbursement for the services they provided, as well as compliance concerns.

“Between the various systems, printed reports and all of the back and forth that’s required in this business, I knew computer-assisted coding was the way to go. It was just too much information for us to corral and funnel,” says Bonnie Carns, CEO, On Demand.
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The 3M solution

On Demand sought a cost-effective, easy-to-manage, computer-assisted coding (CAC) approach that would eliminate its disparate paper and online systems, streamline coding for the busy EDs and help build the business.

Carns’ search ended with the 3M℠ CodeRyte℠ CodeComplete℠ Services. Through 3M’s strong roster of coders, OnDemand received all of the benefits of their experience plus the CAC advantage of the 3M℠ CodeRyte℠ CodeAssist℠ System.

3M’s technology automatically captures every E/M element in the record to identify the correct service level and appropriate reimbursement. On Demand went live with 3M in the fall of 2006, quickly streaming medical reports from the ED physicians into 3M’s proprietary natural language processing (NLP) platform.

“I truly believed in 3M’s concept from the very start,” Carns says. “The first visible advantage is that 3M brings together all of the electronic information and provides one source and one screen for patient demographics, payer information, chart information, medical histories and write-ups of physicians’ findings.”

Rather than printing on paper or toggling between screens, On Demand could now trust that all necessary information was collected, coded and reviewed properly.

Strengthening compliance, building relationships

The old system of paper and computers, plus the overall lack of tracking capabilities, left On Demand struggling with aging accounts receivable. No mechanism existed to track coding work, leaving On Demand under pressure to document activities and daily progress.

With 3M, On Demand receives a monthly summary of everything the 3M coders have done, inclusive of client-customized details on every note. Using this report, On Demand can cross reference its physicians’ activities and chart various performance measures.

The 3M technology, for example, shows when physicians are not dictating complete reviews of service or sufficient history elements.

“We know exactly what’s going on with our clients, month to month,” Carns says. “The customizable reports allow all parties to be active participants in the process, and it assures that compliance is woven into the fabric of coding operations at all levels. Transparency is key for us to maintain trusting relationships with our clients.”

Increased revenue by five percent

Alleviating administrative and accounting headaches was a big win for On Demand, but the most significant value 3M delivered was increased revenue capture, Carns says. The failures of the old systems meant many of the services performed in the fast-paced EDs were not always captured. Swamped coders frequently defaulted to applying codes that assumed mid-level service when higher levels could be justified.

3M’s NLP platform documents every procedure performed. By reading all of the language of the reports, the 3M software casts out chronic undercoding of service levels and assigns appropriate levels based on the rich language of physician records. In all, On Demand generated a five percent revenue increase for its ED physicians.

The quick rise initially caused On Demand to worry that the service and system would raise audit risks. To answer any concerns, Carns brought in an independent auditor to verify the coding accuracy. The auditing team received full access to the 3M system, allowing them to review reports and examine the physician language. Time and again, the reports showed the language justified the level assigned. Ultimately, the audit revealed the 3M solutions were working well, capturing appropriate charges for the 50 physicians.

“Certain things just weren’t being billed before,” Carns said. “With 3M, we’re catching everything.”

Call today

For more information on how 3M solutions 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.