



3M™ APCfinder™ Software with Medical Necessity Validation

- Seamlessly integrates medical necessity validation into your coding workflow
- Identifies both OCE and medical necessity edits at the same time, so coders can efficiently process them before the claim advances to the billing department
- Provides information so coders can resolve edits during the coding process or query physicians for clarification, reducing coding delays and medical necessity failures

3M APCfinder has always enabled coders to code, group, and estimate payment for individual outpatient records to help minimize errors and improve coding accuracy. As part of the 3M™ Coding and Reimbursement System, the software is routinely updated to meet changing regulatory standards.

Now, thanks to this valuable add-on option, 3M APCfinder Software users can also perform medical necessity validation at the point of coding, again relying on regularly updated coding compliance content sets.

Problem: Inconsistent pre-service verification of medical necessity

Managing the medical necessity editing process is yet another challenge added to the complex environment of the outpatient prospective payment system (OPPS), where Outpatient Code Editor (OCE) edits, incomplete coding, and other potential problems constantly threaten the successful processing of your outpatient claims and your hospital's financial health.

The Centers for Medicare and Medicaid Services (CMS) is focused on reducing overpayments attributed to claims that do not meet medical necessity requirements. Compounding the situation, CMS rules and policies are updated constantly and are interpreted differently from one fiscal intermediary (FI) or Medicare Administrative Contractor (MAC) to another. An FI may even cover multiple states with the same edits.

“Medical necessity” is a broad term that essentially refers to two focused sets of edits defined by CMS: the national coverage determinations (NCDs) and the much broader, decentralized local coverage determinations (LCDs). As a result, medical necessity edits are not a single, centrally defined set of edits like the OCE edits. LCDs add significant complexity because they cover a broad range of medical issues and vary by location/region. Each FI/MAC defines their own LCDs by region because of differences in clinical practice around the country and because each FI/MAC relies on their own medical staff recommendations.

Medical necessity checking is essential throughout the revenue cycle, and coding professionals have the skills needed to improve the accuracy of claims. Because of their skill sets, coding professionals are increasingly being asked post-service to help correct claims that were rejected because of medical necessity errors.

Solution: Add medical necessity validation to your coding workflow

3M Health Information Systems is offering its APC grouping clients medical necessity validation at the point of coding as an optional add-on to the **3M APCfinder Software**. This solution uses the same medical necessity content found in the **3M™ Ambulatory Revenue Management Software**, the **3M™ APC Oversight Program**, and the **3M™ Medical Necessity Dictionaries**.



3M™ APCfinder™ with Medical Necessity Validation

Medical necessity and compliance content maintained by knowledge base experts

3M's medical necessity and compliance healthcare policy specialists include certified coders, nurses, billing experts, and health informatics professionals who maintain one of the most accurate, up-to-date coding content sets available today, including:

- Current and historical CPT®/HCPCS procedure codes and modifiers
- Current and historical ICD-9 diagnostic codes
- Local coverage determinations (LCDs)
- National coverage determinations (NCDs)

How it works

Because the 3M APCfinder Software can be added directly to the 3M™ Coding and Reimbursement System, the coder can easily launch the application to review and group an outpatient record.

Using 3M APCfinder with Medical Necessity Validation, coders can invoke both the appropriate medical necessity and OCE edits, providing coding professionals with the information they need to make the necessary corrections.

As an added workflow convenience, the coder can click on a URL link in the software to readily access and review the applicable LCD or NCD policy and bulletin(s) that explain the rationale behind the edit(s). The latest information and details on the actual medical necessity policy are available immediately in electronic form during the coding session.

The benefits of validating medical necessity at the point of coding

By moving medical necessity edits “upstream” from the business office to the HIM department and performing the validation as an integrated part of your coding workflow, you can:

- Take advantage of the HIM staff's coding and patient documentation expertise to detect and resolve medical necessity issues
- Research and handle these issues during your normal “bill-hold” time frame, thus avoiding any additions to your hospital's outstanding A/R days
- Drop “cleaner” claims, helping to reduce compliance risk and cash flow delays

The power of an integrated database

The **3M Coding and Reimbursement System** and **3M APCfinder Software** are just the starting points for other applications within the 3M product suite.

To add a robust database for outpatient reporting and data analysis to your 3M coding system, consider the **3M™ Ambulatory Revenue Management Software**, a module of the **3M™ Health Data Management (HDM) System**. This powerful and comprehensive outpatient revenue management solution can help you access and analyze a wealth of data needed to generate critical decision-making information. It can also provide workflow process analysis and help you and your outpatient revenue cycle team to:

- Effectively address outpatient billing issues, such as identifying the outpatient services that are experiencing the most frequent adjustments or payment denials
- Detect and correct outpatient billing errors before the bill is dropped
- Support physician and staff education targeted at reducing claims rejection and monitoring corrective actions

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**.



Health Information Systems

575 West Murray Boulevard
Salt Lake City, UT 84123
U.S.A.
800 367 2447
www.3Mhis.com

3M and APCfinder are trademarks of
3M Company. CPT is a registered trademark
of the American Medical Association.

Please recycle. Printed in U.S.A.
© 3M 2009. All rights reserved.
Published 06/09
70-2009-9059-9