



## Case Study: Grenada Lake Medical Center Grenada, Mississippi



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— Lea Hammons, Patient Accounts Manager, Grenada Lake Medical Center

### Proven results

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— Tracie Turbeville,  
Compliance Officer,  
Grenada Lake Medical Center

### The challenge

Keith Heartsill, CFO at Grenada Lake Medical Center (GLMC) in Grenada, Mississippi, recognized Ambulatory Payment Classifications (APCs) as a significant area of concern. Over the years, he has observed an overall decline in reimbursement related to cost. This observation, combined with a shift in services from inpatient to outpatient, brought APCs to the forefront of hospital priorities. The GLMC compliance team reviewed their data and implemented operational changes, but they also needed to validate the new processes, confirm results, resolve claims issues more efficiently, and educate staff on APC regulations.

Sarah Longest, GLMC CIO (Business Services and Information Systems), explains: “In health care today, we are continuously looking for tools that give us information to maximize our staff’s potential, increase efficiency, and ensure we are getting reimbursed appropriately and in a timely manner.” Tracie Turbeville, GLMC Compliance Officer adds, “Inpatient coding is a breeze compared to APCs, which are very complicated. We thought more training, knowledge, and education on APCs could make our staff more productive.”

### The solution

The 3M™ APC Oversight Program from 3M Consulting Services met the GLMC management team’s requirements for data analysis, process review, and staff education. The program combines automated reporting with ongoing consulting services. Daily error reports and monthly and quarterly summary reports provide insight into operational areas, forecasting, quality, planning, and budgeting. Regular conference calls with an experienced 3M consultant provide in-depth analysis of report data, education, and action plans for resolving operational issues.

GLMC is a 156-bed hospital owned and operated by Grenada County, Mississippi, handling approximately 17,500 ER visits and 24,000 outpatient visits per year. Because 3M APC Oversight is web-based, it is an attractive choice for smaller hospitals like GLMC. The program uses an ordinary PC, so there is no additional hardware to purchase, no interfacing issues, no software updates, and no need for on-site personnel to run reports. Moreover, the program offers smaller facilities the high level of data analysis and individual consulting available to larger hospitals.



## Grenada Lake Medical Center

### Seamless integration with workflow

Lea Hammons, GLMC Patient Accounts Manager, describes the 3M™ APC Oversight Program implementation as seamless. Every morning, GLMC's system automatically creates a file of the claims that are ready to be billed. A copy of this file is automatically uploaded to 3M for a report on pre-scrubbed claims. Hammons describes her workflow like this: "By 8:30 a.m., we already have our claims downloaded into our billing system and reports back from 3M for review. We take whatever corrective action that is indicated, and by 2:30 p.m. we are ready to submit the clean claims to our clearinghouse."

A copy of the transmitted file is then uploaded to 3M. Within three to five minutes of submitting claims data to 3M Consulting Services, reports on the claims that generated edits are downloaded to Hammons' PC and automatically dropped into specific folders through the auto-transfer tool. "We created shared network folders for each type of report," she explains. "This lets us to provide easy access for anyone who needs to review these reports. We keep everything online, so there's not a lot of paperwork."

Diane Scallions, GLMC Compliance and Reimbursement Analyst, continues: "Each morning, I correct what I can in the billing system without reviewing the actual claim. For other issues, I contact individual departments, including Patient Accounting and HIM, which allows us to make corrections at that time. I take the reports over to the coders or billers, if necessary. If they see a problem, it is taken care of immediately." Hammons adds, "We are able to get cleaner claims out faster."

### The right data to the right people

For GLMC, a strong point of 3M APC Oversight is the reporting. Heartsill is particularly pleased with a report that provided an in-depth analysis of GLMC's reimbursement for cataract surgery, a particular area of concern. "We also appreciate 3M's responsiveness," Heartsill adds, citing examples where reports were tailored in response to feedback from GLMC staff. Heartsill had some reports modified to provide the higher-level summary data he needed, while changes to sort order or formatting made other reports easier to use.

Lisa Lanier, a senior consultant for 3M Consulting Services, confirms that customer input is important in report development. "We are always tweaking reports to fit customer needs," she says. She recalls how a customer's billing system was handling infusion therapy codes incorrectly. "Medicare lets you bill this code once per day," she explains. "Their system recorded the codes once per hour, and was supposed to compile the codes

into one daily charge. Instead, the system was billing multiple units to Medicare." The hospital discovered and corrected the error with 3M APC Oversight's APC HCPCS Breakdown report, a performance profile report that reviews how often particular codes are billed. 3M Consulting Services then designed a new edit to catch such problems in the future.

### Exceptional customer service

As GLMC's 3M consultant, Lanier has earned high praise. Turbeville comments, "You can have a great product, but it doesn't mean much without great customer service. We expect phone calls to be answered and calls to be returned in a timely manner. Simply put, 3M has provided excellent customer service." Besides the regularly-scheduled conference calls, Turbeville appreciates having access to Lanier by phone or e-mail as questions arise, and notes that Lanier is prompt and thorough with her answers.

One question involved GLMC's emergency department E/M levels. Reports showed the codes did not fit the expected distribution pattern. Lanier researched the problem and provided documentation that clarified the guidelines for the codes in question. The documentation indicated that GLMC was using too low a CPT® code for some of their E/M visits in their ED, so GLMC was able to make the necessary adjustments.

Besides serving individual customer needs, Lanier and the 3M Consulting Services staff have the knowledge and expertise to respond quickly to changes from the Centers for Medicare and Medicaid Services (CMS) and revise 3M APC Oversight edits and reports accordingly. As one client notes, "Medicare billing is a moving target. You can have a great process in place, but due to CMS changes or staff turnover, even a great process needs regular review."

### Validate processes, identify areas to improve

GLMC does have good processes in place, and 3M APC Oversight has helped these processes continue to evolve and keep up with ever-changing CMS regulations. Hammons concludes, "We use the APC Oversight Program to validate our processes. If you think you are doing a good job, this program can confirm it. If your processes are weak, this program will identify areas for improvement. Other hospitals may be struggling with their bottom line because they have not implemented this type of tool."

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