



Case Study: Stanly Regional Medical Center

Albemarle, North Carolina



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—Kelly Hill, HIM director, Stanly Regional Medical Center

Proven results

- Improved compliance
- Increased reimbursement
- Streamlined revenue cycle process

Overview

After years of managing charges by hand, the HIM department at North Carolina’s Stanly Regional Medical Center decided it was time to implement a more advanced approach to revenue cycle issues. Consulting experts from 3M worked with Stanly’s team to comprehensively assess the state of its chargemaster, providing recommendations that allowed the hospital to capture significant revenue and compliance opportunities. Today, both the gaps in Stanly’s chargemaster, as well as the stress level of Stanly’s staff, have been drastically reduced.

A time for change

Stanly’s chargemaster first came under scrutiny when the hospital’s CFO moved a revenue cycle specialist into the HIM department as part of an effort to consolidate personnel resources. The intensified focus yielded a number of action items, with an outdated chargemaster at the top of the list. Kelly Hill, hospital Director of Health Information Management, explains the imperative for change. “It had been as long as two years since some departments had cleaned up their chargemasters. Everything was being done manually and it had just gotten to be too much to keep up with.”

For Hill, the decision to bring in consultants was an easy one, “We’re a small hospital, and when you’re small, there’s no such thing as a little issue—we needed to take advantage of every opportunity out there.” The decision to engage 3M Chargemaster experts was equally simple, due to a history of success with 3M solutions at Stanly. “We can’t be the experts of everything, so we needed to contact someone who was. That was 3M,” says Hill.



Stanly Regional Medical Center

The complete picture

The consultation process began with the critical task of collecting and uploading the pertinent data from all of the hospital's relevant departments. With success dependent upon superior collaboration, this potentially arduous task moved steadily forward, with constant communication between the 3M consultants and the Stanly team. Both parties worked together to ensure nothing was overlooked.

Once extraction was completed, the 3M team was ready to begin its chargemaster analysis. The team examined Stanly's charge structure, along with the assignment of CPT® and revenue codes. Then the consultants went to relevant sources for references such as the Medicare Hospital Manual, Medicare Intermediary Manual, Medicare Intermediary bulletins, CMS's model compliance plan, and the CPT Manual to formulate and support their recommendations.

Due to the hospital CFO's impending deadline for making fiscal year budget decisions, the 3M team found itself working on a truncated timeline that shaved weeks off of the original schedule. But as Hill notes, they never missed a deadline.

Just two weeks after data extraction had been completed, 3M was now ready to go onsite and present its findings to the Stanly Revenue Team. Hill describes it as an eye-opening experience. "They found a lot of outdated and invalid codes that were still being used, which meant we weren't getting paid for chargeable items." Describing the disarray, she states, "It was just like you had tossed up alphabet soup and it had landed where it may." She continues, "Before 3M, we just didn't have any way that we could be aware of these specific issues."

3M consultants came armed with a plan to help Stanly correct the problems that had been uncovered. Through onsite training sessions, they outlined services that were incorrectly coded and counseled the Stanly team on how to

minimize claim rejections, line item denials, and the need for manual claims intervention, while protecting revenues and cashflows. In addition, 3M consultants delivered the education and protocols necessary to get Stanly's charges back on track by identifying numerous opportunities to promote consistent high-level compliance and accurate, complete reimbursement.

Over three days of on-site training, the 3M team answered any and all questions that came from the hospital's staff. Commenting on the level of responsiveness demonstrated by the 3M consultants, Hill says, "Our managers would frequently ask 'Why?' and when they did, 3M would tell us their answer and then back it up with the printed materials they referenced." She notes the communication didn't just flow in one direction. "They also did a good job of asking us the right questions, too. It let us know they were really listening," says Hill.

Moving forward

After the chargemaster consultation, Stanly saw its cleaned-up CDM yield immediate results, as compliance improved and reimbursement increased. As one component of a facility-wide effort to improve HIM services, the 3M engagement helped find and fill some of the more persistent gaps in Stanly's revenue cycle. But perhaps the most meaningful impact was felt in the day-to-day lives of Stanly's HIM staff, who no longer had to try and keep pace with an unruly chargemaster.

"Our people love the clinical aspect of their job—they're here to help patients," says Hill. "Now instead of spending hours and hours trying to get our charges back on track, they can focus on doing the job that matters most to them."

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