

# Case study

# Maximize coding accuracy with intelligent prebill edits and retrospective coding reviews

St. Elizabeth Healthcare

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# 3M technologies

- 3M<sup>™</sup> 360 Encompass<sup>™</sup> Audit Expert System
  - 3M<sup>™</sup> 360 Encompass<sup>™</sup> Audit Expert System– Code Audit
  - 3M<sup>™</sup> 360 Encompass<sup>™</sup>
    Audit Expert System –
    Inpatient Prebill Review

### Overview of the team

St. Elizabeth Healthcare educates and works closely with its coding teams to interpret coding guidelines and collaborates with team members to solve complex coding issues and answer questions. The coding compliance team, which reports to the health information management (HIM) team, is made up of subject matter experts in all things coding.

#### Goals

St. Elizabeth Healthcare has a reputation for excellence and quality that is driven from the leadership team down. The health care organization has been recognized regionally and nationally in hospital rankings, even receiving a "high performing" ranking in multiple categories from *U.S. News & World Report*. St. Elizabeth Healthcare's goal is to lead the way in compliance and quality initiatives that represent the organization and continue the legacy of comprehensive and compassionate care.

St. Elizabeth Healthcare is improving its process for managing coding accuracy and audits. Like many health care organizations, coding accuracy is a key revenue cycle integrity initiative. The compliance team must provide consistent checks and balances to ensure that coders have the best coding education possible and the most up to date regulation guidance. St. Elizabeth Healthcare's compliance team is small though, with a large pool of coders for each compliance team member. While the team has used this system for many years, they knew it needed to be streamlined to expand the impact. St. Elizabeth Healthcare wanted a more cohesive and proactive approach when it came to coders and managers working together.

# Challenge

To achieve this more unified and proactive system, St. Elizabeth Healthcare decided to reexamine its process. The initial method focused on retrospective reviews using 3M™ 360 Encompass™ Audit Expert System − Code Audit to provide feedback, usually after the coding session was submitted to billing. This helped meet the immediate need of identifying areas of improvement, but opportunities for coding accuracy were identified after the coder completed their coding session rather than prior to the claim submission. In order to increase efficiency and catch coding accuracy opportunities earlier in the coding workflow, St. Elizabeth Healthcare sought an upstream, prospective method for identifying these opportunities.

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#### Solution

3M™ 360 Encompass™ Audit Expert System – Inpatient Prebill Review, a prospective, prebill process solution, can help coders and managers work together more effectively. Through a second level review process, coder accuracy is reviewed as part of the coding workflow. This enables a greater focus on reviews related to high risk areas or opportunities for quality improvement. Examples of these reviews include:

- Medicare mortality charges for hierarchical condition category (HCC) opportunities in an effort to increase risk adjustment factors in conjunction with the Medicare Five-Star Quality Rating System
- Sepsis reviews (about 98 percent of overall reviews) that may have been missed if not for the second level review

As a result of the new prebill process, St. Elizabeth Healthcare can now identify and correct errors at the front end of the coding workflow.

#### **Results**

By incorporating 3M Inpatient Prebill Review and 3M Code Audit, St. Elizabeth Healthcare has streamlined its prospective and retrospective reviews and audits into a single system aligned with its coding workflow to achieve the following results:

#### 3M 360 Encompass Audit Expert System

#### 3M Inpatient Prebill Review

#### **3M Code Audit**



Sepsis audits, the most common audits, are now done in the prebill review process, which identifies potential coding errors prior to coding session completion.



Reduced third-party revenue intelligence reviews for missed revenue opportunities resulting in:

- 17.3 percent reduction in average monthly vendor costs/fees
- 23.7 percent decrease in monthly identified cases with findings



Provided 14 additional audit categories that did not track consistently in prior audits.

- 500 percent increase in audit feedback which helps reduce errors upstream
- 232 percent increase in audit accuracy scores as a result of audit feedback



Eliminated the need for spreadsheets, manual audits and tracking resulting in:

- 80 percent decrease in time to create monthly audit batches
- **90 percent decrease** in time to create accuracy report for batch

3M's audit solutions are built to maximize efficiency and continuously provide workflow improvement. As one of the original adopters of 3M™ 360 Encompass™ Audit Expert System solutions, St. Elizabeth Healthcare continues to see the benefits of implementing new product updates and workflow enhancements into its coding process.



# Contact 3M today.

For more information on how 3M software and services can assist your organization, contact your 3M sales representative, call us toll-free at **800-367-2447**, or visit us online at www.3M.com/his.



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