

## Case study

# Trust is key: The ROI of using the right tools

## Carrollton Regional Medical Center



### Carrollton Regional Medical Center (CRMC)



**Location:**

Dallas, TX



**Snapshot:**

Carrollton Regional Medical Center (CRMC) is a 216-bed acute care hospital managed by Sana Healthcare.

### Challenge: Organizational changes and budget constraints

Every health system faces challenges when there is a reorganization, and Carrollton Regional Medical Center (CRMC) was no exception. The medical center transitioned out of the Baylor Scott and White health system to Sana Healthcare in March 2020, which coincided with the beginning of the COVID-19 pandemic. As elective procedure admissions dropped throughout the pandemic, the hospital had to tighten its budget to make up for lost revenue.

CRMC separated from an organization that was centralized, structured and could scale across multiple facilities with high end products and tools, including the state-of-the-art **3M™ Coding and Reimbursement System Plus (CRS+)** for its coding needs. As a newly formed facility, it didn't have the resources or the budget to keep using these tools. In an attempt to alleviate budget concerns, CRMC decided to go with a different vendor for its encoder tool.

### 3M technologies

- **3M™ Coding and Reimbursement System Plus**
- **3M™ All Patient Refined DRG Software (APR DRG)**

## One step forward, two steps back

While the new encoder tool provided initial relief to the facility's tight budget, that relief was short lived. Once the new product was in place, coder productivity plummeted, with coders spending up to three hours on a single inpatient account. Denials increased as well, which left coders saddled with a large backlog and feelings of failure. It was hard for CRMC's coding team to trust the tool, which was confusing to use and sometimes delivered codes that weren't backed up by the documentation.

Marianna Martinez, MBA, CHFP, RHIA, CCS, CDIP, CRCR, director of revenue cycle management for CRMC, describes the coder's plight: "As a leader, it's concerning to hear that the coding team felt discouraged after a long day of work with only a few accounts coded. They felt non-productive, discouraged, and had very low confidence in their work. Inevitably, resignations started to pour in. It is very important to me that our coding team feel confident in their work and of the information they are providing and when I hear that they would rather refer back to coding books instead of using this tool, I knew we had to make a change."

Physicians were frustrated with the changes as well. They too were affected due to minimal queries generated and late queries, resulting in an overall low query response rate. Given the large backlog, Martinez said, "They [the physicians] would ask 'Why are you sending me a query for a patient that I saw last month?' A patient whose chart they don't remember anymore."

## Solution: Back to coding with conviction

After struggling with these negative effects on coder productivity, morale and revenue, CRMC made the case for reimplementing 3M CRS+. As soon as CRMC started using 3M tools again, the coding team began to regain their confidence. Martinez said "As a coder, the ability to code in 3M and arrive to a code that I feel comfortable with and could rely on is very important."

The trust level from the coding team in the accuracy and reliability of the technology has improved significantly since reimplementing 3M CRS+. The physician's confidence in coding and clinical documentation integrity (CDI) has also increased. Martinez said, "I need to have the confidence level to be able to respond to internal and external audits and inquiries from payers and other entities timely. 3M CRS+ resources and references assist me to respond and appeal these inquiries. Since implementation, we have successfully overturned many coding and billing denials."



*"Getting the coders engaged and involving them in the decision-making process is important. They're the ones that use the tools daily and live day to day operation."*

—**Marianna Martinez**  
MBA, CHFP, RHIA, CCS,  
CDIP, CRCR, director of  
revenue cycle management  
for CRMC

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## Results: Clean backlog and back on track

Productivity started to improve, and the coding team cleared up their accounts held for review. Unfortunately, the decision to switch encoder tools to reduce costs came with a high price. It took CRMC more than two months to get back on track and reduce coding backlogs, and five months to fully recover with a clean backlog and current incoming accounts.

It came to light that many accounts previously worked on with the other encoder tool had been undercoded, impacting the case mix index (CMI) and adding to the high coding and billing denials. With the help of 3M CRS+, the organization was able to go back and appeal some of the past claims to receive proper reimbursement for care provided.

## Conclusion

When it comes to successful coding automation, trust in the technology is vital. Denials and quality issues severely affected CMRC while it was using the non-3M tool, and it took a long time for CRMC to recover financially. When investing in quality solutions, you truly do get what you pay for.

In CRMC's case, going with a basic vendor provided temporary budget relief, but led to costly denials, a huge backlog and a loss of trust from coders and physicians. 3M's decades of coding expertise and state-of-the-art technology has proven many times over the importance of having a quality coding solution.

It is also key that executive decision makers involve end users when making the choice to change solutions. Martinez said, "Getting the coders engaged and involving them in the decision-making process is important. They're the ones that use the tools daily and live day to day operation. And if we don't take their ideas and concerns into consideration when we make these decisions in the beginning, we eventually may pay the price."



### CMI

CMI went from 1.4 to 1.95.



### Productivity gains

Using the non-3M tool, each CRMC coder completed 2-3 cases a day. With 3M, coders coded 4-5 cases per hour. That's 13 times more cases per day.\*



### Discharged not final billed (DNFB)

After CRMC switched from 3M to the other tool, DNFB went from \$2 million to \$27 million. Now, with 3M CRS+, CRMC is currently at \$1.5M for discharges less than 4 days.



### Query response

Query use was at a minimum with the old system due to lack of confidence in query parameters. With 3M, doctors and coders are confident in the query process and, as a result, query turnaround time (TAT) is 1-2 days.



### CRMC's clean claim rate

CRMC's clean claim rate plummeted from an average of around 80 percent to a critical low of 5-8 percent once it switched to the other vendor's tool, as edits were not addressed by the coders. Upon reimplementation of 3M CRS+, CRMC's clean claim rate is back up to around 90 percent — this increased mostly due to the edits addressed by the coding team prior to sending claims to the clearinghouse.

\*Calculated based on an eight-hour workday.

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