

## 3M™ Inpatient Psychiatric and Facility DRG software products

- Designed to help both acute care hospitals with inpatient psychiatric units and standalone mental health hospitals meet the requirements mandated by the Inpatient Psychiatric Facility Prospective Payment System (IPF PPS)
- Uses expert logic to guide the coding professional through the process of coding, editing and grouping diagnoses and procedures to obtain the correct Medicare Severity-Diagnosis Related Group (MS-DRG) for Inpatient Psychiatric Facility (IPF) payment
- Provides reimbursement calculations based on the patient's data, the specific psychiatric MS-DRG and the facility's required payment formulas

### The challenge

Just how important are complete documentation and accurate coding under the IPF prospective payment system?

Failure on these two points can result in:

- Missing several thousand dollars of reimbursement per stay
- Getting a payment denial
- Being accused of fraud

Adapting to change is always daunting. As part of the 2005 shift to a prospective payment system (PPS), Inpatient Psychiatric Facilities (IPFs) must understand the regulations and correctly code and group patient data under the IPF PPS, so that reimbursement is not adversely affected. IPFs must also update and maintain their systems to keep pace with changes to the requirements.

#### Payment structure under the current IPF PPS:

- Payments are based on all MS-DRGs that contain a psychiatric diagnosis
- IPFs are paid on per diem basis, which is comprised of the federal per diem base rate and certain patient and facility level payment adjustments
- Payment level adjustments include age, Diagnosis Related Group (DRG) assignment and comorbidity diagnoses
- Facility level adjustments include the IPF's wage index, rural location, teaching status, a cost of living adjustment for IPFs located in certain states and an adjustment for the presence of a qualifying emergency department

### The solution

As optional components of the **3M™ Coding and Reimbursement System**, the 3M Inpatient Psychiatric Facility DRG (IPF-DRG) Software products provide healthcare organizations with the tools they need to comply with the PPS. Designed to integrate with 3M's market-leading coding, grouping and reimbursement technology, these products include:

- **3M™ Inpatient Psychiatric Facility (IPF) DRGfinder™ Software**—Works with the expert logic of the **3M™ Codefinder™ Software** to provide current coding and editing guidelines to help the coding professional obtain the correct psychiatric MS-DRG code
- **3M™ IPF-DRG Reimbursement Calculation Software**—Calculates and displays the expected IPF PPS reimbursement for the designated psychiatric MS-DRG code

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## Expert logic to guide the coder

The 3M IPF-DRG Software products are part of the **3M Coding and Reimbursement System**, the industry's leading coding application used by more than 5,000 hospitals worldwide. 3M coding products work seamlessly together to perform complete, accurate and compliant coding and grouping of principal and secondary diagnosis and procedure codes.

Using the expert logic built into all 3M coding software products, the **3M IPF DRGfinder Software** guides the coder through the coding and editing session, helping the coder to check the documentation carefully for information relevant to the diagnosis as well as complications and comorbidities. This is key, because when documentation exists for a diagnosis that is not coded completely and accurately, or a diagnosis is coded but not included on the UB-04, the final psychiatric MS-DRG assignment can lead to lower payment or even a denial.

The result may be significant lost revenue, as well as the unfortunate situation in which treatment was delivered but cannot be reimbursed because it is not supported by the documentation.

## Tracking reimbursement: Critical to success

Once the coder has obtained the correct psychiatric MS-DRG code, the **3M IPF-DRG Reimbursement Calculation Software** can help the organization track and understand its expected reimbursement under the PPS.

This software calculates the expected reimbursement and transmits the data back to the IPF's billing or health information system. From there the data can be used to generate reconciliation reports that track expected versus actual reimbursement.

## Avoid redundant data entry

To reduce redundant data entry, 3M can provide and support the 3M side of an appropriate industry-standard interface for demographic data between the customer's host systems and the 3M coding, grouping and reimbursement tools. The host system vendors are expected to provide and support their side of the interface.

## Built and maintained by the DRG experts

3M has more than two decades of experience serving the healthcare industry's needs with DRG-related software products. 3M also works with clients to address their grouping needs through the **3M Codefinder Software** and the MS-DRG Grouper.

## Related products and services

### Coding products:

- 3M™ Codefinder™ Software
- 3M™ DRGfinder™ Software
- 3M™ HCPCS/CPTfinder Software
- 3M™ Advanced Analyzer Software
- 3M™ Reimbursement Calculation Software
- 3M™ Coding Reference and 3M™ Coding Reference Plus Software
- 3M™ APCfinder™ Software
- 3M™ EAPGfinder™ Software

### Classification, grouping and database products:

- 3M™ APC Grouper Plus Software
- 3M™ Enhanced Ambulatory Patient Grouping System
- 3M™ Core Grouping Software
- 3M™ Grouper Plus System
- 3M™ Clinical Claims Editor (CCE) Software
- 3M™ Long-term Acute Care Hospital (LTCH) Software products
- 3M™ Health Record Management Software (for reporting)
- 3M™ Ambulatory Revenue Management Software
- 3M Consulting Services:
- 3M™ DRG Assurance™ Program
- 3M™ Clinical Documentation Improvement (CDI) System
- 3M™ APC Assurance™ Program

## 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.3m.com/his**.



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