Tips and Tricks on How Vascular Surgeons Can Fairly Maximize Collections and Income in a Practice or Academic Setting

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The Importance of Understanding the Effectors of “The Revenue Cycle”

1. New employment paradigms
2. M+A of individuals and groups
3. Contract reimbursement often tied to “net revenues”
4. Partnership often based on net revenue

Imperative to understand how to maximize collections for the physician and now also for the institution due to these new paradigms.

Value Based Care (VBC)

1. As we move to VBC the existing payment models which center on RVU productivity and straight salary will be replaced.
2. This is the driver for closer physician-hospital alignment.
3. This is why physicians and hospitals/systems must understand how important the issues I am discussing are (analytics/documentation/revenue cycle).

Reasons For Loss of Collectable Money

1. Claims denial
2. Documentation
3. CMS payment cuts and penalties
4. ICD-10 costs and complexities
Claims Denial:
- Why we can’t get paid even when we do the correct things

Multiple issues:
1. Precertification and authorization
2. Poor identification
3. Services not documented in medical record
4. Incorrect modifier
5. Invalid DRG
…Etc.

Minimizing Claims Denials
- As ACA matures the roles of coding and reimbursement changes frequently (e.g. ICD-10)
- As health care mergers increase the insurance rules often change
- You can’t just chase the A/R, you need to minimize it

Minimizing Claims Denials
Requirements:
1. M.D.’s are not coders
2. EMR must be linked to CBO through E/M codes and levels
3. ANALYTICS CONSULTANT
4. Understand the effects of DOCUMENTATION

Analytics Consultant
(Artificial Intelligence)
Consult to improve your
• Data processes
• Workflows
• Identify lost data artifacts

Documentation
Detailed Documentation
Accurate Coding
Appropriate and Timely Claims Payment

Documentation
How a Single Word Can Boost Your Reimbursement

<table>
<thead>
<tr>
<th>Procedure</th>
<th>Complication/Comorbidity</th>
<th>DRG Assigned</th>
<th>MS-DRG 231</th>
<th>MS-DRG 219</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardiac valve and other major cardiothoracic procedures without</td>
<td>Heart Failure</td>
<td></td>
<td>$27,600</td>
<td>$45,051</td>
</tr>
<tr>
<td>cardiac stent insertion</td>
<td>Acute mitral valve stenosis heart failure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Major cardiovascular procedures</td>
<td>Shock</td>
<td>MS-DRG 226</td>
<td>$18,185</td>
<td>$29,371</td>
</tr>
<tr>
<td>Intraprocrinal vascular procedures with primary diagnosis or hemorrhage</td>
<td>Severe/edema</td>
<td>MS-DRG 22</td>
<td>$24,416</td>
<td>$32,088</td>
</tr>
<tr>
<td></td>
<td>Cardiac edema</td>
<td>MS-DRG 22</td>
<td>$24,416</td>
<td>$32,088</td>
</tr>
</tbody>
</table>

Without complication or comorbidity: $70,288
With complication or comorbidity: $56,222
With complication or comorbidity: $126,510
Poor Documentation Leaves Millions on the Table

Multi-Million Dollar Shortfalls Mount

Revenue Loss from Missing Documentation
Average 250-bed Hospital

<table>
<thead>
<tr>
<th>Year</th>
<th>Losses Becoming Even Bigger</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>($7.1M)</td>
</tr>
<tr>
<td>2016</td>
<td>($10.6M)</td>
</tr>
</tbody>
</table>

Physician Documentation - Effects of training and improving

- Decreased denials and overpayments
- Increased collections
- Improved coder productivity
- Optimize the work flow
- Allow for focused audits

Areas of Improved Benefits Secondary to Documentation Training

- Increase in margins
- Increase in severity of illness
- Increase in risk mortality

Documentation

- Poor documentation will affect future pay-for-performance programs
- Poor documentation can affect the observed-to-expected death ratio for morbidity & mortality
- Putting the expected ratio below average of colleagues

Summary

1. Coding alone will not increase revenues.

Suggestions:

- Hire experienced coders (ICD-10)
- Analytics Consultant
- Documentation training
2. Maximizing the revenue stream will be mandatory as the healthcare system continues to evolve.
   • M+A partners
   • Compensation plans
   • Population health management
   • Value based payment arrangements