



Making sure ED services are accurately reimbursed: Emergency Services director Prutzman.

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More than \$2 million in “found money” WITH A LITTLE SOFTWARE INTEGRATION, THE ED FINDS HIDDEN REVENUE

It’s not often a hospital finds a couple of million bucks lying about, waiting to be taken, but a recent electronic innovation by University of Colorado Hospital’s Emergency Department appears to have done just that.

By integrating suites of clinical and financial software, the ED has documented a 30 percent increase in billable charges in a month and is on track to generate an additional \$2.4 million in net revenue in one year.

And the money was there all along.

UCH Director of Emergency and Stroke Services Lorna Prutzman, RN, MS, shared the news with an audience of interested providers at a June 10 Webinar sponsored by Picis, a provider of high-acuity information systems.

The ED’s integration of Picis software, which went live in early March, ties improved clinical documentation to automatic coding and charge capture. Prutzman says the electronic linking helps the ED secure full reimbursement for the services it provides.

“The problem we had to solve was inconsistent charge amounts from month to month, even with the same volume of patients,” Prutzman observes. “The distribution of the acuity of our cases was also inconsistent.”

Hidden revenue. The financial piece of the integration, dubbed “Lynx E/Point Facility Charging Solution,” provides a tool to help the ED “optimize” its charges, Prutzman notes. Ideally, the charges a department generates should be determined by the resources utilized to treat the patient, which, in turn, reflect patient acuity.

The tool indicated the hospital was not capturing all the charges it should. “We were not capturing in our documentation and coding the true level of acuity of our patients,” Prutzman states.

“Pre-implementation, we were at 72 [on a scale of 100],” she observes. “In other words, we were optimizing our charges less than three-quarters of the time.” The score rose to 96 after the integration in early March, Prutzman reports, resulting in a 30 percent increase in billable revenue. That translates to an annual net revenue increase of \$2.4 million – without having to treat a single additional patient in the crowded ED.

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Accurate documentation is essential. The Lynx E/Point Facility software initially ranks the level of the facility visit on the patient’s presenting problem (one being least acute, five the most). The interface allows providers to electronically add documentation, including number of assessments, tests and services, and consults, tied to ICD-9 codes. “The criteria the providers enter translate to the level of the ED visit,” Prutzman says.

The software also provides “charge rules” that help providers fully document their procedures, a key to timely reimbursement. For example, if a patient receives an IV infusion, a charge rule reminds the provider to document the stop time or total infusion time.

“Charge rules,” Prutzman remarks, “provide support for clinicians’ accurate documentation.”

The software offers other advantages, Prutzman says. It incorporates all current Centers for Medicare and Medicaid (CMS) rules and regulations, and has never failed an audit. “We were also able to implement it rapidly, with minimal costs,” she adds. Testing, staff education by “super users” and implementation all took place in about a week.

By tightly integrating documentation and automated coding, Prutzman noted, coding time decreased and the billing cycle sped up because there are fewer questions and potential errors. “We’ve been able to allow coders to work from home, which has been a crowd-pleaser,” she adds.

Even as the technology improves, documentation remains the key to maximizing revenue, Prutzman concludes. “Our staff nurses meet with coders consistently,” she says, “and coders give feedback directly to clinicians.”