

Clinical Documentation Integrity: Simple Strategies for Receiving Appropriate Reimbursement



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Introduction



- ▶ Founded in 1993, iNDIGO is a physician-led company committed to sustaining community healthcare
- ▶ iNDIGO clinicians care for patients in hospitals and long term care settings across the state of Michigan



- ▶ A 391-bed nonprofit hospital serving as northern Michigan's regional referral center.
- ▶ It is the largest of the nine [Munson Healthcare](#) system hospitals located throughout northern Michigan.
- ▶ The only [Level II Trauma Center](#) north of Grand Rapids, and has the only [Neonatal Intensive Care Unit](#) in northern Michigan. Munson Medical Center also has been designated as a TJC [Primary Stroke Center](#)
- ▶ 510 physicians and 3700 employees.



Critical Action Needed for Rural Hospitals

- ▶ Rural Hospitals provide
 - ▶ Care to about 11.7 million people
 - ▶ Employ 100,000 healthcare workers
 - ▶ Account for \$277 billion in economic activity
- ▶ Nearly 700 rural hospitals are at risk of closing - *iVantage Analytics*
- ▶ As the fate of the Affordable Care Act (ACA) is unknown- this number could climb in the years to come





The Business of Health Care: What's the Bottom Line

- ▶ Rural Hospitals can boost their revenue by increasing the DRG payment
- ▶ Effective documentation equals appropriate and increased DRG reimbursement
- ▶ CDI programs utilizing specially-trained nurses to assist with documentation integrity have proven track records for achieving appropriate and increased DRG reimbursement.

The Bottom Line

Effective documentation results in improved reimbursement

DRG #	DRG Description	DRG Weight	Revenue if Case Rate = \$6000
291	Heart Failure & Shock w/MCC	1.4796	\$ 8,878
292	Heart Failure & Shock w/CC	0.9574	\$ 5,744
293	Heart Failure & Shock w/o CC/MCC	0.6618	\$ 3,971
Total DRG Weight		3.0988	
# of Cases		3	
Case Mix Index		<u>1.03</u>	



Documentation Concepts to Secure or Boost Revenue

Real life case examples of how CDI Queries impact DRG payment



DRG Reimbursement for Hospitals

- ▶ Payers: Medicare, Medicaid (severity-adjusted), Blue Cross, Priority Health and others
- ▶ DRGs are assigned based on the principal diagnosis responsible for the patient's hospitalization and any surgical procedures and secondary diagnoses.
- ▶ Reimbursed at a fixed rate, irrespective of actual costs (think all inclusive vacation package instead of nightly rate)
- ▶ How the provider documents in the discharge summary determines what the hospital gets reimbursed for the patient's hospitalization

DRG Methodology

- ▶ Diagnosis Related Group (DRG) is the bundled payment (fixed rate) based on physician documentation
- ▶ The payment for each DRG is already predetermined by CMS



Heart Failure

- ▶ Documentation Concepts
 - ▶ Acuity: Acute, Chronic or Acute on Chronic
 - ▶ Type: Systolic, Diastolic, Preserved EF or Reduced EF

Congestive Heart Failure

179	RESPIRATORY INFECTIONS & INFLAMMATI
	CMS wt 0.9325 A/LOS 4.2 G/LOS 3.5
	Length of stay, discharge to a post-acute care p
	health service condition codes can significantly
	for this DRG.
004	DISEASES & DISORDERS OF THE RESPIRA
ated Reimbursement -- Medicare Inpatient	
\$5320.71	

Chronic Systolic Heart Failure

178	RESPIRATORY INFECTIONS & INFLAMMATI
	CMS wt 1.3247 A/LOS 5.7 G/LOS 4.7
	Length of stay, discharge to a post-acute care
	health service condition codes can significantly
	for this DRG.
004	DISEASES & DISORDERS OF THE RESPIRA
ated Reimbursement -- Medicare Inpatient	
\$7558.55	

Acute on Chronic Systolic Heart Failure

177	RESPIRATORY INFECTIONS & INFLAMMATIC
	CMS wt 1.8672 A/LOS 7.4 G/LOS 5.9
	Length of stay, discharge to a post-acute care p
	health service condition codes can significantly i
	for this DRG.
004	DISEASES & DISORDERS OF THE RESPIRAT
ated Reimbursement -- Medicare Inpatient	
\$10653.98	



The Tricky Thing About DRGs

- ▶ The fixed DRG payment has to cover EVERYTHING THE HOSPITAL PROVIDES

- NIGHTS IN HOSPITAL
- DRUGS
- LABS
- CULTURES
- RADIOLOGY
- NURSING CARE
- IVS, NG TUBES, FOLEYS
- ...AND MUCH, MUCH MORE

FIXED: The hospital receives the same payment whether the patient stays 2 days or 10 days.

Encephalopathy

- ▶ Documentation Concepts
 - ▶ Write “encephalopathy” when causing delirium

Delirium

Care DRG and MDC Information	
470	MAJOR JOINT REPLACEMENT OR REATTACHMENT CMS wt 2.0671 A/LOS 2.9 G/LOS 2.6 Length of stay, discharge to a post-acute care provider, health service condition codes can significantly impact reimbursement for this DRG.
008	DISEASES & DISORDERS OF THE MUSCULOSKELETAL SYSTEM

Related Reimbursement -- Medicare Inpatient	
\$11794.58	Inlier

(all versions) DRG and MDC Information	
302	KNEE JOINT REPLACEMENT APR wt 1.6261 Low Trim 1 High Trim 7 ALOS Status: LOS Inlier
008	MUSCULOSKEL SYS & CONN TISSUE
2	Moderate Severity of Illness
2	Moderate Risk of Mortality

Encephalopathy

Care DRG and MDC Information	
469	MAJOR JOINT REPLACEMENT OR REATTACHMENT CMS wt 3.2906 A/LOS 6.9 G/LOS 5.8 Length of stay, discharge to a post-acute care provider, health service condition codes can significantly impact reimbursement for this DRG.
008	DISEASES & DISORDERS OF THE MUSCULOSKELETAL SYSTEM

Related Reimbursement -- Medicare Inpatient	
\$18775.69	Inlier

(all versions) DRG and MDC Information	
302	KNEE JOINT REPLACEMENT APR wt 1.6261 Low Trim 1 High Trim 7 ALOS Status: LOS Inlier
008	MUSCULOSKEL SYS & CONN TISSUE
2	Moderate Severity of Illness
3	Major Risk of Mortality



Comorbidities

- ▶ Secondary Diagnoses impact expected LOS and payment.

Medicare and other payers recognize that the presence of CC's and MCC's increase the complexity of care for a patient.

DRG #	DRG Description	Secondary Diagnosis	DRG Weight	GM LOS	National Payment
331	Major Bowel Pxs w/o cc/mcc	Renal Insufficiency	1.6623	4.0	\$9,484.85
330	Major Bowe Pxs w CC	Acute Kidney Injury	2.5405	6.8	\$14,495.72
329	Major Bowel Pxs w MCC	Acute Tubular Necrosis	4.9612	11.3	\$28,307.91

CC = Comorbidity or Complication
MCC = Major Comorbidity or Complication

Documenting CC's and MCC's in the medical record leads to a higher DRG weight, increased GM-LOS, and increased financial payment



Pneumonia

- ▶ Documentation Concepts
 - ▶ Specify the causative (suspected) organism

Community Acquired Pneumonia

w/o CC/MCC	GLOS 2.8	\$4000
W CC	GLOS 3.6	\$5400
W MCC	GLOS 4.6	\$8000

VS

Gram Negative Pneumonia


w/o CC/MCC	GLOS 3.5	\$ 5300
W CC	GLOS 4.7	\$7600
W MCC	GLOS 5.9	\$11000




Respiratory Failure

- ▶ Documentation Concepts
 - ▶ Acuity: Acute, Chronic or Acute on Chronic
 - ▶ Type: Hypoxic, Hypercapnic or both

Hx of COPD on 2 liters, post op respiratory insufficiency

Medicare DRG and MDC Information		
 328	STOMACH, ESOPHAGEAL & DUODENAL PROC W/O CC/MCC CMS wt 1.5357 ALOS 3.1 G/LOS 2.4 Length of stay, discharge to a post-acute care provider, and home health service condition codes can significantly impact reimbursement for this DRG.	
006	DISEASES & DISORDERS OF THE DIGESTIVE SYSTEM	
Estimated Reimbursement -- Medicare Inpatient		
Total	\$8762.49	

Acute on chronic respiratory failure

care DRG and MDC Information		
 326	STOMACH, ESOPHAGEAL & DUODENAL PROC W MCC CMS wt 5.3670 ALOS 14.1 G/LOS 10.9 Length of stay, discharge to a post-acute care provider, and health service condition codes can significantly impact reimbursement for this DRG.	
006	DISEASES & DISORDERS OF THE DIGESTIVE SYSTEM	
Estimated Reimbursement -- Medicare Inpatient		
Total	\$30623.35	



The Magnitude of Claims Data

- ▶ In addition to calculating the DRG for reimbursement, claims data (diagnoses and procedure codes) is also used for:
 - ▶ Quality Initiatives/Penalties by CMS
 - ▶ Core Measures
 - ▶ Patient Safety Indicators (PSI)
 - ▶ Hospital Acquired Conditions (HAC)
 - ▶ To validate severity and acuity to auditors for Medical Necessity
 - ▶ Contribute to BOTH Physician and Hospital-Specific Profiles and other public reporting
 - ▶ Set the stage for future Risk-Adjusted Payments the facility will receive in future fiscal years

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Key Components of a CDI Program

Who Makes Up the CDI Program

It's a Team Effort

- ▶ Registered Nurses (RN BSN) - educated on coding rules and regulations to improve clinical documentation
 - ▶ Why Nurses?
 - ▶ Nurses are clinically trained and can easily identify clinical indicators supporting a more specific diagnosis that could increase the DRG
 - ▶ Nurses are able to educate physicians as well as all members of the health care team about documentation requirements by speaking their "lingo."
 - ▶ 1 FTE / 1600 annual admissions - ACDIS recommendation
- ▶ Coders
- ▶ Physician Advisor
- ▶ Physician Champions - each medical service line preferred



Clarification of Clinical Findings

By submitting this query, we are merely seeking further clarification of documentation to accurately reflect all conditions that you are monitoring, evaluating, treating or that extend the hospitalization or utilize additional resources of care.

Dear Provider,

The patient's Clinical Indicators include:

4/25 Blood Cultures grew Pseudomonas
Pt. presented with Acute Cholecystitis
WBC on admission 21.4, temp. 38.6, HR 112
Pt. is currently receiving the following antibiotics: Zosyn, Gentamicin & Meropenem

Please document the diagnosis that correlates with the above treatment.

- Sepsis (specify etiology in progress note)
- Severe Sepsis (specify etiology and organ dysfunction as a result of Sepsis in progress note)
- Septic Shock (specify etiology in progress note)
- Systemic manifestation integral to infectious process
- Other (specify in progress note)
- Unable to Determine

**Also document if the Sepsis was Present on Admission

*****Reference Criteria*****

Sepsis Query Impact

Before Query

DRG	GLOS	Est. Reimbursement
Lap Chole W CC	3.9	\$9,379.42

After Query

DRG	GLOS	Est. Reimbursement
Sepsis W OR Proc. W MCC	10.7	\$29,033.01



CDI Program Best Practices

- ▶ Medical record is reviewed during the patients' hospital admission to improve documentation before discharge.
- ▶ CDI nurse communicates directly with the provider ('at the elbow support') or leaves a written query.
- ▶ Robust CDI programs use multipurpose queries, to:
 - ▶ Increase DRG payment
 - ▶ Increase Risk of Mortality and Severity of Illness scores
 - ▶ Clarify Present on Admission status
 - ▶ To prevent reporting of HACs
 - ▶ Serve as diagnosis exclusions for Patient Safety Indicators
 - ▶ Positively influence future Risk Adjusted Payments
 - ▶ Allow for clear and concise documentation resulting in lower AR days due to un-coded charts.



A Typical Day for a CDI RN

- ▶ New admits from previous day
- ▶ Any cases with an unanswered query
- ▶ Continued stay accounts
 - ▶ Priority given to cases in lowest tier DRG or a “symptom” DRG
 - ▶ Rule of thumb - review every 48 hours





Characteristics to Look for When Hiring a CDI Nurse

- ▶ Recent, strong clinical background
- ▶ Exceptional communication skills
- ▶ Basic understanding of coding rules & DRGs, preferred
- ▶ Detail-oriented
- ▶ Quality-focused
- ▶ Organized
- ▶ Creative
- ▶ Takes ownership of their work
- ▶ Willing to work in a team environment both inter- and intra-departmentally
- ▶ Not afraid to talk to physicians - *even if the physician is having a bad day*





Other Benefits of a CDI Program

- ▶ As providers learn documentation concepts through education provided by CDI and queries, documentation starts to become more specific on all patients.
- ▶ Nursing documentation also improves. CDI is able to communicate and demonstrate to Nursing staff how their documentation impacts DRGs.





Engaging Physicians in a CDI Program



Physician Engagement

- ▶ Provide the rationale - explain why they are being asked to clarify their documentation.
- ▶ Make a query form easy to interact with; in the workflow of the physician

Notes/Reminders/Queries (1)
Consolidated Problems

Consolidated Problems

Classification: All
Add new as: This Visit

Q

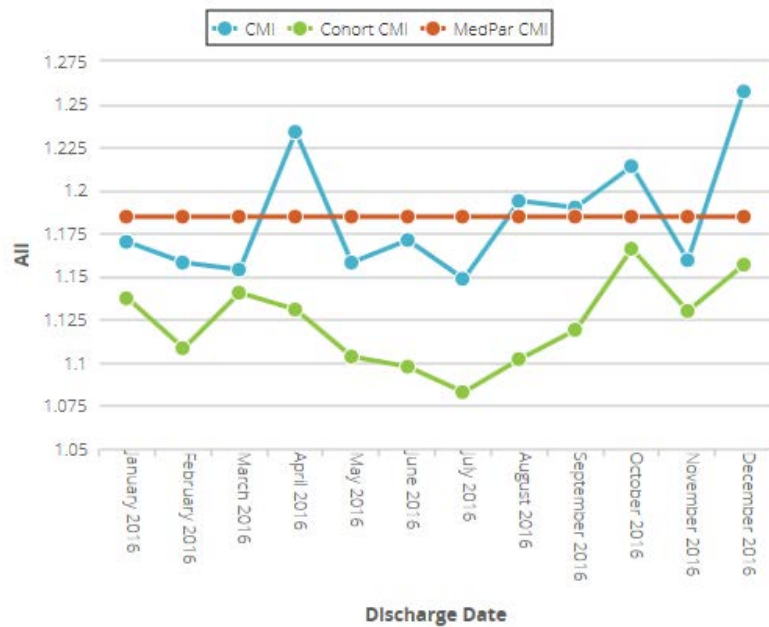
Notes/Reminders/Queries (1)

Documentation Queries (1)		
Author	Date	Subject
Swinehart RN BSN CCDS, Alyson L	04/10/17 10:57	Low BMI Query iNDIGO

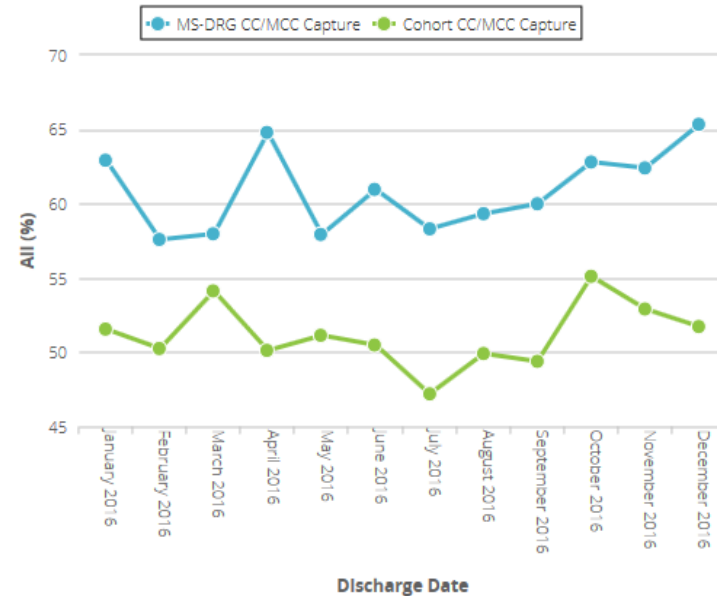
Physician Engagement

- ▶ Physician Champion - meet regularly, provide consistent feedback (good and bad), areas of opportunity
- ▶ Compare medical service line to cohorts/benchmark data to illustrate opportunity

CMI Over Time ▾



CC/MCC Capture Over Time ▾





Physician Engagement

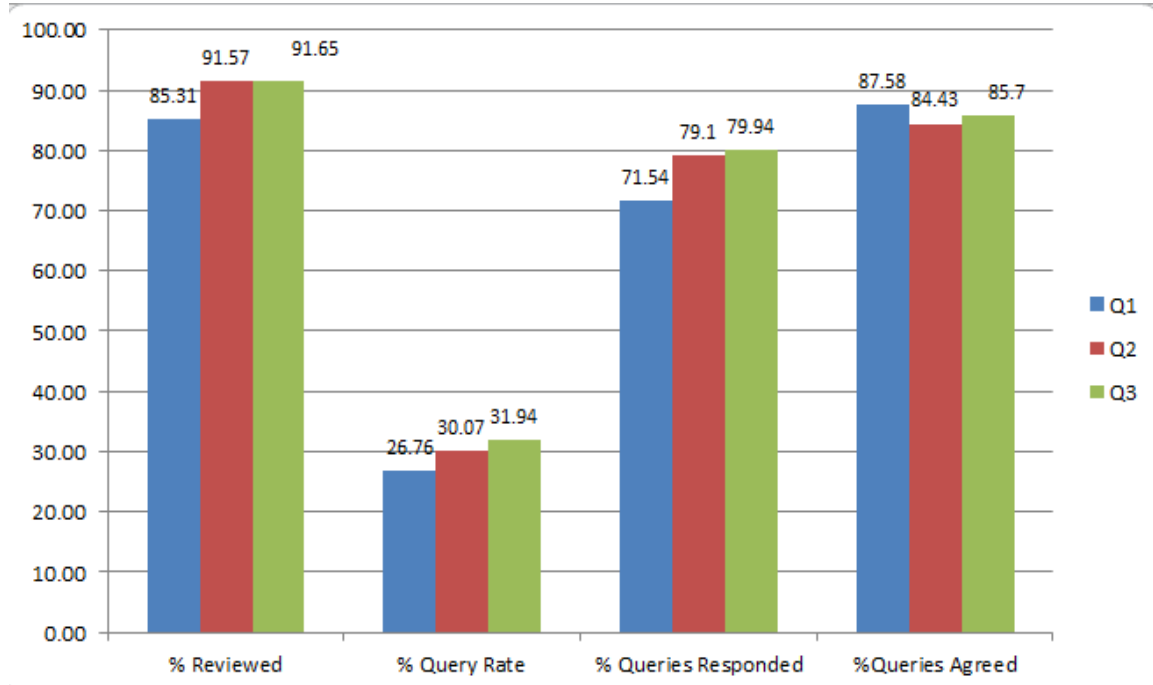
- ▶ Create facility reference criteria/guidelines and include as part of the query form
 - ▶ Query Example
- ▶ Use real life case examples to illustrate documentation importance
 - ▶ Positive & Negative
- ▶ Host Lunch & Learns



Physician Engagement

- ▶ Create Documentation Tip Cards available in both paper and electronic formats
- ▶ http://www.munsonhealthcare.org/upload/docs/ICD10/Quick%20Reference%20Cards/ICD10_Quick_Reference_Card_Cardiology.pdf

MMC CDI Program



Est. May 2012

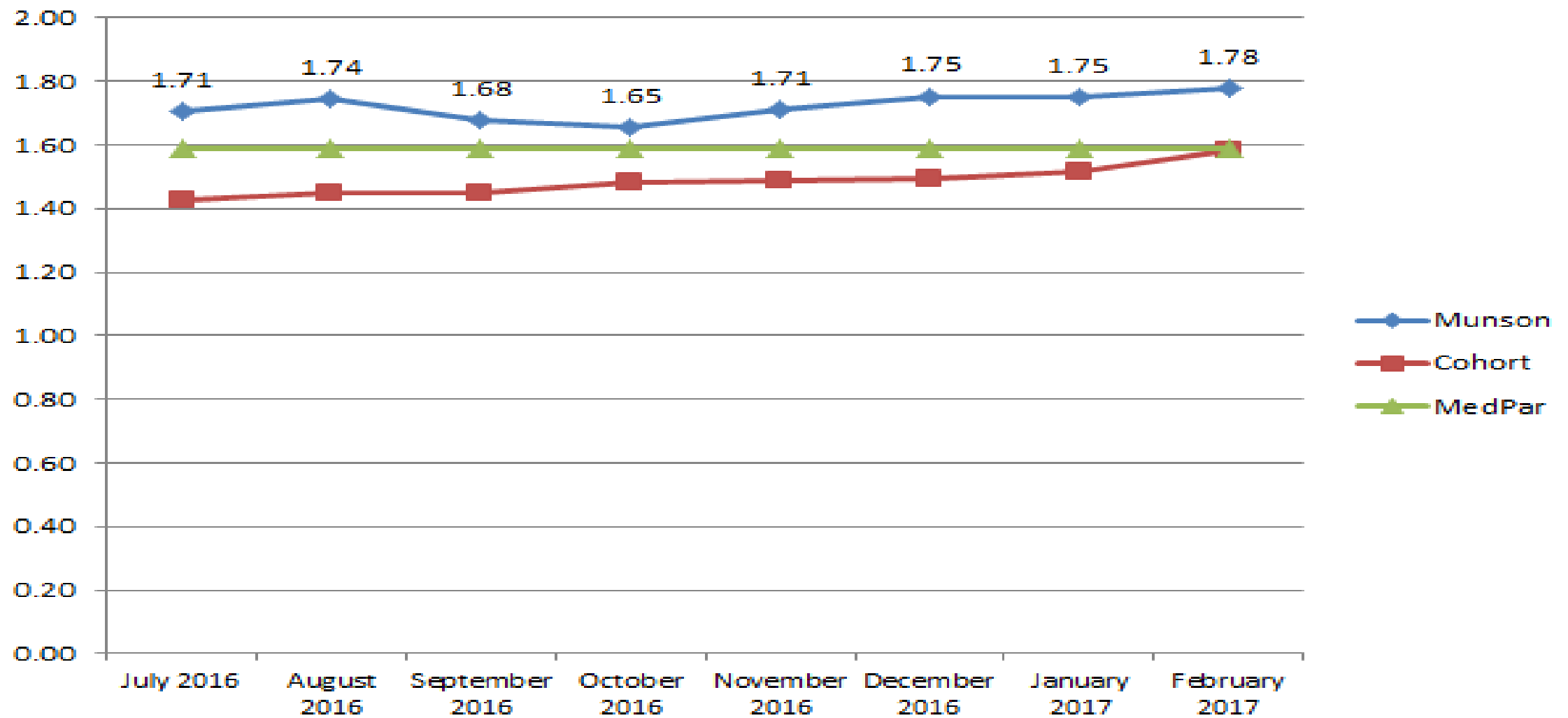
Staffing: 1 RN Coordinator, 7 RN
CDI Specialists
8

Productivity Metrics:
12 Initial Reviews per day
Total Daily Reviews - 21 per day

Focus Areas:

- CC/MCC Capture
- HAC/PSI reduction
- Accurate SOI and ROM score assignment
- Collaborate with Billing regarding appropriate payer (auto vs medical)
- Inpatient Medical Necessity
- Inpatient DRG Validation appeals

Metrics: CMI Overall Trend



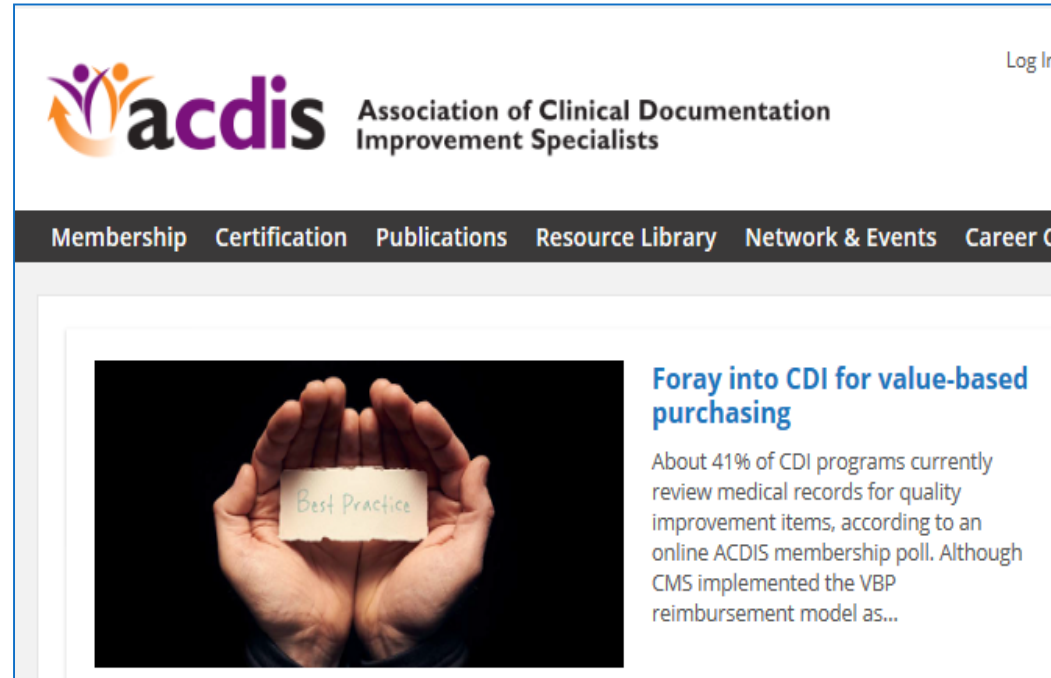
Metrics: CDI Dashboard FY17

- ▶ # Cases Reviewed - 8035
- ▶ % of Acute Med/Surg. Population: 89.08%
- ▶ Financial Impact: \$2,349,192

Discharge Month	Total Visits	Reviewed Visits	% Reviewed	Reviews	Avg Days to First Concurrent Review	Avg Reviews Per Reviewed Visit	Baseline to Final Financial Impact
2016-07	1,217	1,025	84.22%	2,297	2.1	2.2	\$354,940.46
2016-08	1,200	1,033	86.08%	2,308	2.3	2.2	\$274,569.06
2016-09	1,197	1,025	85.63%	2,264	2.0	2.2	\$260,361.80
2016-10	1,135	1,044	91.98%	2,783	1.5	2.7	\$237,771.94
2016-11	1,048	963	91.89%	2,518	1.7	2.6	\$290,987.90
2016-12	1,067	969	90.82%	2,455	1.6	2.5	\$264,804.37
2017-01	1,121	1,016	90.63%	2,668	1.7	2.6	\$318,898.56
2017-02	1,035	960	92.75%	2,494	1.7	2.6	\$346,858.05
Grand Total	9,020	8,035	89.08%	19,787	1.8	2.5	\$2,349,192.14

CDI Resources

- ▶ AHIMA Website www.ahima.org
- ▶ ACDIS www.acdis.org



The screenshot shows the ACDIS website homepage. At the top left is the ACDIS logo, which consists of three stylized human figures in orange and purple, followed by the text "acdis" in a bold, lowercase font. To the right of the logo is the full name "Association of Clinical Documentation Improvement Specialists". In the top right corner, there is a "Log In" link. Below the header is a dark navigation bar with white text for "Membership", "Certification", "Publications", "Resource Library", "Network & Events", and "Career Ce". The main content area features a large image of two hands holding a small white card that says "Best Practice". To the right of the image is a blue headline "Foray into CDI for value-based purchasing" and a paragraph of text: "About 41% of CDI programs currently review medical records for quality improvement items, according to an online ACDIS membership poll. Although CMS implemented the VBP reimbursement model as..."



Contact Us

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Questions



THANK YOU!



Appendix



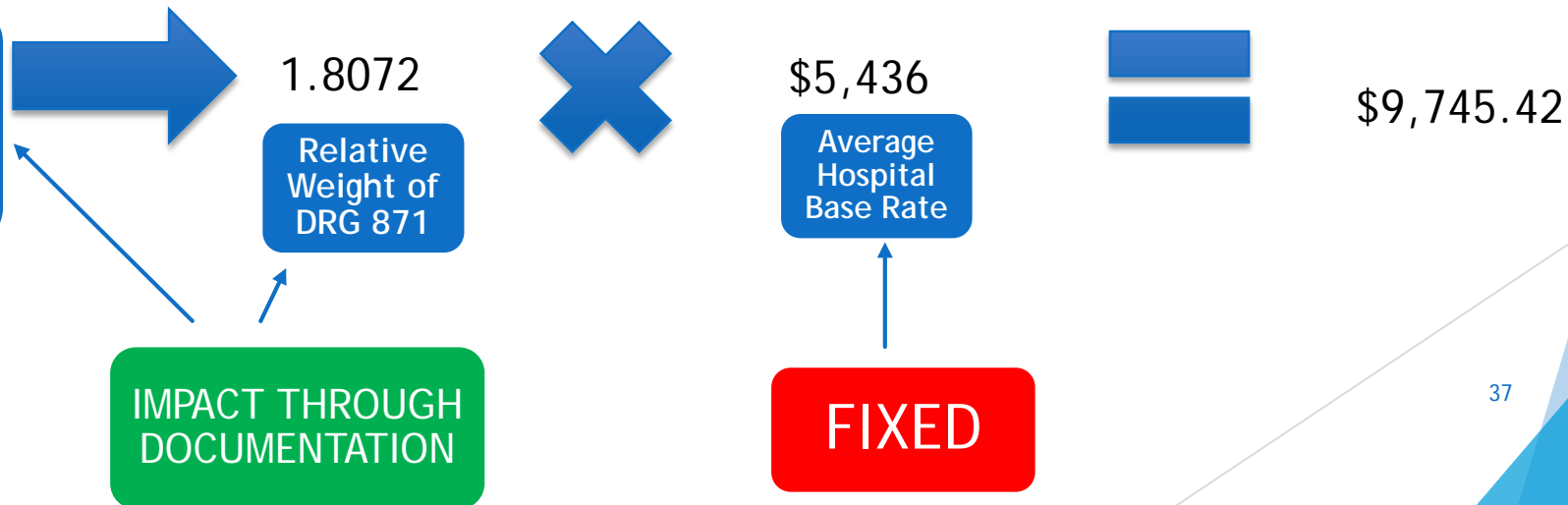
The Medicare DRG Payment System

- ▶ Hospital base rate determined annually by Medicare Cost Report
- ▶ Hospital payment rates are determined by the assigned DRG. The basic calculation is as follows:

Provider verbally identifies discharge diagnosis in discharge summary

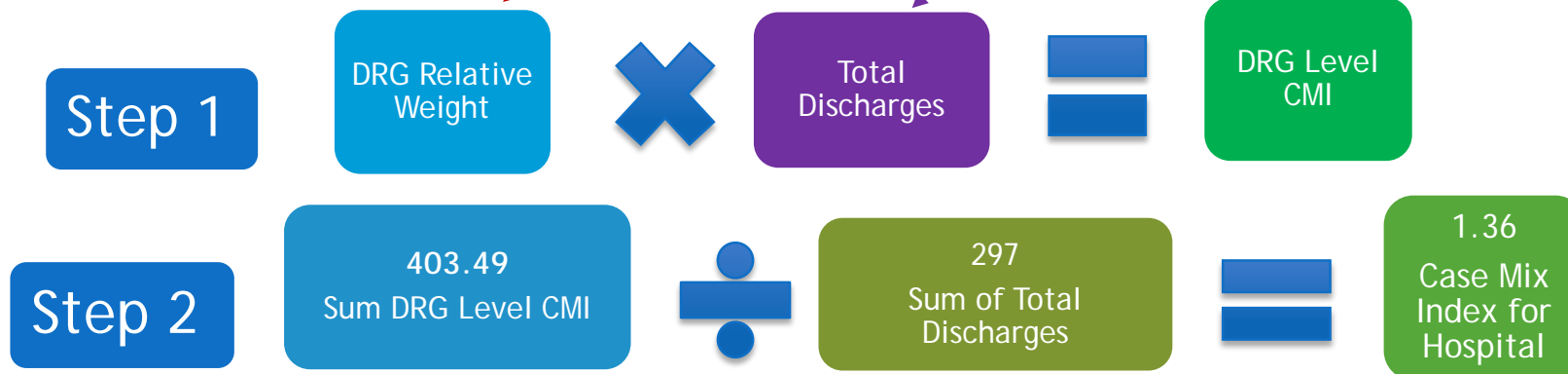
DRG #	DRG Description	DRG Relative weight	GM LOS	National Payment Average
871	Septicemia or Severe Sepsis w/o MV 96+ HRS w MCC	1.8072	5.1	\$9,745.42

Hospital bills Medicare for discharge of DRG 871



How is Case Mix Index (CMI) Calculated?

DRG Name	DRG Relative Weight	Total Discharges	DRG Level CMI
Septicemia Or Severe Sepsis W/O MV 96+ Hours w/o MCC	1.8072	122	220.48
Chronic obstructive pulmonary disease with CC	0.9343	65	60.73
Simple pneumonia & pleurisy w/o MCC	0.7044	31	21.84
Heart Failure & shock	1.5097	29	43.78
Pulmonary Edema & respiratory failure	1.2136	25	30.34
Cardiac arrhythmia & conduction disorders	1.0427	25	26.32
Total		297	403.49
Total CMI			1.36



Case Mix Index (CMI)

$\text{CMI} = \frac{\text{Total RW of all DRGs}}{\text{Total \# of cases}}$

- ▶ CMI is the average of all Relative Weights assigned
- ▶ Used to predict hospital's income from CMS for inpatient care
- ▶ The higher the CMI, the more severely ill the patients
- ▶ The higher the CMI, the more resources consumed

