Charge Assist®
CDM Update News

Charge Management Presentation Outline

Presentation Summary

Presentation Title

Charge Management Methods to Mobilize your CDM Team, Optimize Resources & Fine-Tune Processes

Topics

- Common problems in today's hospital CDM Management + strategies for improvement
- Responsibilities & resources for strong CDM Management
- Methods & Tools to evaluate Organizational Charge Management
- Challenges in 2015 & what to expect in 2016

Speaker Bio

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Top 5 Common Problems & Strategies

1) False Sense of Security – Why your CDM data may not be as accurate as you've been led to believe

a. Indicators –
   i. Do your error reports possibly misstate actual data quality?
   ii. Have you implemented 'model' or 'standardized' data that hasn't been fully verified?
   iii. What's it really mean when Billers say "we haven't seen any problems"…
   iv. Has a consulting project been recently performed but your team remains unsure about the final data quality?

b. Strategies –
   i. Error reports:
      1. Understand whether the error report is displaying invalid codes alone or also incorrectly assigned codes. (Understand the audit function or techniques to understand why items may be flagged or not flagged as errors.)
      2. Ensure reports exclude inactive charges.
      3. Customize reports to show overrides or alternative coding.
      4. Be certain reports show all of the necessary information. (Confirm whether identified errors are actually incorrect for the specific payment environment represented by the charge item.)
      5. Determine how your team will evaluate replacement recommendations from consultants or vendors.
   ii. 'Model' or 'Standard' files:
      1. Audit not only the CDM elements but also 'linked' data (Status and Payment indicators, OCE edits, etc.) Also confirm that the model maps to ancillary files/systems appropriately.
      2. If early in a conversion process, evaluate how models or standards map to your current data and processes rather than changing data and processes to accommodate the model.
      3. Consider differing methods of pricing or charge structure (e.g. visit charges, timed services, component charges, soft coded charge items, pricing and mark-up methods).
      4. Ask other hospitals about their experience with the model/standard prior to making an implementation decision (if possible).
      5. Confirm whether/how the model will be updated in the future and confirm the timeline (with contractual commitment) for changes.

iii. Billers haven't seen any problems:
   1. Consider they are seeing what has been charged. Be sure to consider not only used charges but all active, potentially used charges when assessing data quality.
   2. Realize that not all data issues or data errors will result in claims errors (roll up of data by revenue code, incorrectly assigned but valid codes, etc.)
   3. Know the claims / charge data source – CDM, Pharmacy, Coding, etc.
   4. Determine whether claims edits and overrides (manual or automated) may be changing data.

iv. CDM Reviews & what can go wrong:
   5. Simply having a CDM Review engagement is no guarantee that your data is accurate. Confirm data review parameters. Also confirm the methodology used by the consulting firm (multiple auditors, specialties, systems/data analysis capabilities, etc.)
   6. Be sure that your team understands/understood the scope of services, parameters, and responsibilities of all parties.
   7. Were all consultant findings addressed completely and accurately? The itemized notes must be verified based on the clinical and technical input from your staff. Revisit each department CDM owner to confirm all issues were fully reviewed and understood. Then determine whether conducting randomized implementation audits may be helpful to ensure all items were fully addressed.
   8. Was the data change/implementation process complete? Audit the working papers turned in by departments post verification to see if all file changes were input.
   9. Assess the consultants' notes to gauge the quality of the review. Department directors who verified the auditors' notes will be able to provide feedback on their interpretation of the audit quality.
   10. Learn from past projects. If an engagement was unsuccessful, develop an action plan for internally recovering some benefit and/or looking for new solutions. If too much time passes, another engagement may be necessary. Be sure to share outcome and suspected causes of the past project with new consulting resources.

2) Skimming (or Scanning) vs In-Depth Analysis

a. Indicators –
   i. Do you rely on automated updates or summary documents alone?
   ii. Is your team considering all components of data changes?
   iii. Is your team clear about what CMS documents 'do' and 'don't do' for the CDM update process?
   iv. Did you miss CMS or AMA corrections?

b. Strategies –
   i. CDM updates:
      1. Start the update process with a 'clean file' of only active cost centers and active, valid charge items.
      2. Know about override functions and alternative systems.
      3. Determine overall file quality / data integrity to evaluate whether automated 'replacement functions' will be appropriate.
      4. Use caution with unlisted, not otherwise specified codes or miscellaneous charge items. Also consider 'testing method' general codes that may have been refined with a more specific code selection.
      5. Evaluate not only changes to data in your CDM but changes to services/items that may be captured through another tool, application or method.
   ii. Considering all components of data changes:
      1. Consider charge components (imaging guidance, inclusive activities or items, other services/items charged, etc.).
      2. Determine who may be impacted by changes that may not be 'hard-coded' in the CDM file.
      3. Know what your hospital does and does not charge for (or bill) (threshold cost/price for drugs/supplies, billable supply policies, codes and bill types for other payer environments, etc.).
      4. Know the bundling and unbundling rules both for coding and for payment systems and understand how they may impact CDM data or charge capture.
      5. Understand how charges are captured before making changes to see what other processes, systems, or actions may need to change.

iii. CMS materials:
   1. Realize that multiple payment systems have various rule-making categories and different publications to consider.
   2. For Final Rules, if you want the discussion on issues – read the Comments; if you want the 'bottom line', jump to CMS decisions then work backwards.
   3. Summarized transmittals for Final Rule year end changes are typically late in December and may not include every change you need to consider. Develop an update plan without relying on them then revisit CDM changes when the summary documents are available.
   4. Consider related edits, guidance, and data elements outside of the published payment system's rules (payment indicators, I/OCE, pricer file changes (old/new), NCCI publications, AMA resources, audit targets, etc.).

iv. Did you miss something?
   5. Don't consider the published information to be 100% accurate. Watch for corrections and CDM vendor feedback for issues they identify.
   6. Ensure data updates are free of errors by performing an audit of your data changes.
   7. Monitor areas with significant changes after the new year or quarter to ensure accurate charge capture and claims data.
   8. Watch transmittals for 'retroactive' changes.

4) HIS Complexities

a. Indicators –
   i. Do multiple systems or apps make your environment difficult to understand?
   ii. Are data overrides managed effectively?
   iii. Do current systems and applications have functional limitations?
   iv. Is data populated inaccurately due to poor coordination?

b. Strategies –
   i. Systems / Apps:
      1. Create a 'data flow' schematic related to all charge-related data elements and processes.
      2. Know what your systems environment can (and can't) do.
      3. During conversions, understand how the vendor sequences applications' masterfile population (clinically/technically driven apps first, EMR-driven order functions, 'model' files, tables/files converted by mapping from your current data, etc.).
      4. Identify alternative approaches and functions (i.e. 'work-arounds' and down-time plans).
      5. Be sure your systems functionality questions are answered and if not, have your CIO escalate them.
   ii. Data Overrides:
      1. Ensure your organization is clear on default vs data override functions and data flow.
      2. Document your hospital's data population strategies (what each field means, data rules etc.).
      3. Known when other systems/functions or personnel actions may impact CDM data to mitigate potential problems.
      4. Monitor all data overrides to ensure clean claims (although you may not necessarily own them).
   iii. Functional limitations:
      1. As noted above, be sure you are clear about available functionality.
      2. If new systems are being considered that impact Charge Management, try contacting several of the potential vendors' CDM Team members. Ask how charge management functions have been addressed and report your findings to your selection committee.
      3. Be ready to address the occasional loss in functionality (ex. one code per charge, inability to pre-date changes, incomplete standard reports, etc.).
      4. If moving to more extensive functionality from a more limited patient accounting system, be sure you will be trained early in the implementation process and able to provide input on masterfile decisions related to charge data.
      5. If working in an environment where corporate or shared systems cause loss of data control, obtain administrative guidance on how

data management can be coordinated. (You need your hospital's voice to be heard and strong collaboration can benefit all.)

iv. Data coordination:

1. Determine data synchronization issues between multiple masterfiles or systems through basic exception reports.
2. Perform priority 'validity checks' of specific data elements.
3. Assess the CDM and associated files data integrity (CDM Review, Targeted Audits, etc.)
4. Identify owners of key data decisions and develop a plan of action to ensure they understand rules and guidelines.
5. Be ready to 'redo' file sections if problems are uncovered.
6. Implement long-range data management plan as changes occur.

4) Priorities (Yours and Everyone Else's)

a. Indicators –
   i. CDM & Charge Management are low-level priorities.
   ii. Contingencies often surface that slow down CDM management progress.
   iii. Critical decisions about charge data are often made 'at another level'.
   iv. Your team is "Stuck".

b. Strategies –
   i. Low Priority for Charge Management Issues:
      1. Educate hospital leadership.
      2. Provide risk assessment debriefing for Compliance.
      3. Integrate (but don't dissolve) Charge Management into Revenue Cycle.
      4. Establish (or Revive) a Charge Management Support Team.
   ii. Contingencies:
      1. Know your own charge management contingencies (e.g. what can't you do until something else has been done/obtained).
      2. Try not to be blindsided – know the 'must do' / 'must have' items and who controls their completion / access.
      3. If contingencies involve consultants or vendors, be sure you have established agreed upon workplans and timelines and stay up to date on progress with status reports/calls.
   iii. Decisions made 'at another level':
      1. As noted above, an informed leadership team will understand your concerns and may be able to make better decisions.
      2. Provide communication of 'SWOTs' with Charge Management.
      3. Be sure Charge Management has a 'voice at the table' when decisions are made relative to initiatives, processes, systems, resources, etc.
      4. Be prepared for change.
   iv. Stuck:
      1. Evaluate "who does what" at your facility for CDM Management tasks. Do they have time? Are they successful? Have they been trained sufficiently? Should task ownership change?
      2. If you believe change is needed for specific areas, identify the problem(s), risk, possible solutions, and possible steps to resolve.
      3. Ask that your input, analysis and recommendations remain confidential and informal until a well-defined plan of action can be formulated. (Watermark documents and flag e-mails as PROPOSED, DRAFT, or CONFIDENTIAL as appropriate, and use discretion for sensitive recommendations.)
      4. Roll out a 'first pass' (draft) process improvement plan (even if small) to trusted colleagues (ex. CDM Team members and an administrative representatives) and obtain their input.

5) Time Constraints

a. Indicators –
   i. You (or others) are not performing important tasks.
   ii. It's hard to prioritize when lots of things are wrong.
   iii. Charge Master maintenance work and research are 'less than efficient'.
   iv. Demands related to other initiatives suddenly impact your own timelines for critical tasks.

b. Strategies –
   i. Poor performance due to time constraints:
      1. Highlight your "to do" list to identify critical tasks and forecast time to complete each; Obtain your boss' help setting the priorities and schedule.
      2. Organize your processes and environment.
      3. Keep an evergreen 'parking lot' issue list.
      4. Determine how much time is wasted 'finding information': Ensure access to complete data and references (for all applicable individuals).
      5. Use technology to save time. Build reports & system views that work for your specific needs. Learn faster/more efficient research techniques with tools. Become more efficient with your communications, documents, apps, worksheets and reports. Document your methodology and work progress.
   ii. Prioritize large-volume issues & errors:
      1. Establish priorities (from risk & revenue perspective).
      2. Determine the best sequence of activities for tasks.
      3. Identify who needs to help.
      4. Obtain the support (and necessary enforcement help) from administrative reps.
      5. Keep an active workplan through to completion.

iii. Inefficient CDM maintenance work & research:
    1. Evaluate Resources – from people all the way to tools and systems. Identify what works well and what's not working well and come up with your own 'process improvement' plan as if you were the consultant.
    2. Ask Others – Pick a focus group of key hospital personnel, and facilitate an organized, issue-focused brainstorming session for solutions.
    3. Ask for additional training – Consultant resources or Vendor resources can possibly help with better techniques/methods.
    4. Create better masterfile access (reports, uploads, data manipulation etc.); and try to eliminate the 'middleman' when possible.
    5. Report your findings along with a suggested plan for improvement.

iv. Other initiatives:
    6. Try to be certain you are kept in the loop on any initiatives coming down the pike that may impact charge management.
    7. Know milestones, deadlines and contingencies for other initiatives that may impact charge management.
    8. Critically evaluate your appropriate level of participation in specific initiatives.
    9. Ask for help when additional resources are necessary.
    10. Speak up when something seems wrong.

Responsibilities & Resources

1) Who does what and how?
    a. Personnel Resources
        i. How common is the FTE CDM Coordinator and who typically fills that role?
        ii. Benefits a 'CDM Team' brings to your process
        iii. Why departments are important to your process
        iv. The problems with 'hard work but no processes'
        v. The importance of administrative support and leadership
    b. Priority activities
        i. Ongoing Day to Day Tasks
        ii. Annual Updates
        iii. Quarterly Updates
        iv. Monitoring & Auditing
        v. Special Projects/Initiatives
2) Developing a "Charge Management Plan"
3) Developing a "Charge Master Update Program" including detailed schedules
4) Resources for Annual CDM Updates
    a. AMA Resources
        i. CPT-4®data
        ii. CPT-4® Professional Edition code book
        iii. CPT-4®Changes book
        iv. CPT-4®Assistant articles
        v. CPT-4®Education
    b. CMS Resources
        i. Primary CMS Resource Documents
            1. Transmittals
            2. Final Rule Federal Register documents
            3. MLN Matters articles
            4. NCCI Manual
            5. Medicare Manuals
        ii. Data Releases
            1. OPPS files
            2. I/OCE edit files
            3. Fee Schedule data
            4. HCPCS Level II file
    c. Software tools
        i. CDM Resource tools
        ii. Coding Resource products
        iii. Other reference products
        iv. Charge Master Auditing Tools
        v. Claims/Charge Auditing Tools
        vi. Strategic Pricing Tools
    d. Consulting/Vendor/Educator Resources

Evaluate Organizational Charge Management

1) Data quality assessments (Targeted CDM Audits, Complete Detailed Review projects, claims/chart/charge audit, etc.)
2) Claims error report monitoring for charge issues
3) Periodic surveys (departments, support team, etc.)
4) Support area questionnaires (Billing, Coding, CDM Management, IS, and Compliance areas of focus)
5) Annual update evaluations (for department feedback)
6) Performance Evaluations for department annual update tasks
7) Resource Inventory

Challenges in 2015 & what to expect in 2016

1) Top 25 high-priority Charge Management issues

Data Issues

1) Code specificity & accuracy quarter to quarter
2) Drug coding and unit of service billing multiplier accuracy
3) Billable supply policies
4) Self-Administered drug data updates & "Integral To" interpretations
5) Implant Revenue Code accuracy for Cost Report
6) Properly managing override codes for Medicare
7) Charges with unassigned codes (to code or not to code)
8) Proper coding for outside / send out tests/services
9) Skin substitute application & product coding
10) Addressing payer-specific coding challenges (still an issue)

Strategic & Process Issues

11) "Defensible pricing" mandates & public transparency
12) Increased payment packaging & future bundled payment expansion
13) Charge reconciliation processes
14) File synchronization and data retention strategies
15) Compliant CCI overrides (ex. XEPSU / mod. -59, etc.)
16) Revenue Code consistency and accuracy
17) E&M Levels and effectiveness of systems in place to properly value the visit
18) Charge descriptor clarify & standardization

Organizational Issues

19) Finding (and funding for) the right Charge Master manager
20) Improving department participation in charge integrity assurance
21) Budgeting and controlling costs of charge management
22) Defending charge practices against commercial audits
23) Engaging practice management partners
24) Addressing systems consolidations/mergers/acquisitions
25) Proactively managing data quality on continual basis

2) Items for your 2016 CDM Update Radar

a. 2016 CPT data & code books
b. OPPS Proposed Rule + files & Expectations for Final Rule + files
c. 2016 HCPCS data
d. 2016 MPFS and other Fee Schedules
e. Classes & Webinars