

BEST PRACTiCE



Developing an Audit Scope

John Behn, MPA
Laurie Daigle, CPC



STROUDWATER
Revenue Cycle Solutions

Revenue Cycle Audits

- Registration
- Provider documentation
 - What was documented
 - What was performed
- Coding
 - What was documented
 - What was captured
- Business Office
 - Accuracy
 - Follow up
 - A/R



Identify Scope

- Ultimate goal
 - Reimbursement
 - Compliance
 - Provider request
 - Process improvement
- Who requests or provides outline of process

Scope

- Identify Risk
- Identify Needs
 - Organizational
 - Provider specific
 - Error specific
- Provide education
- Follow up

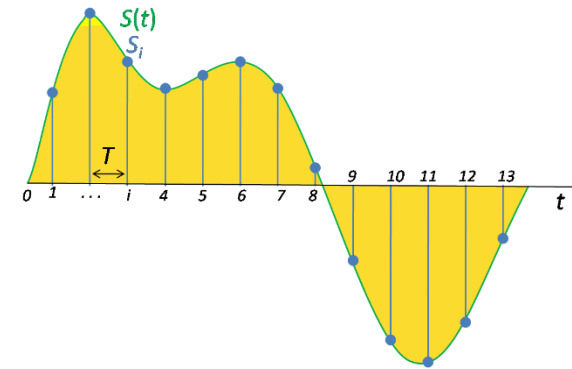
Audit Process

- Identify Purpose
- Identify Scope
 - Number of samples, contributors
 - Timeline
- Resources required
 - Personnel
 - Tools
 - Oversight
- Final sample selection
- Perform audit
- Gather necessary resources to support findings
- Communicate results
 - Individual/team audited
 - Quality review
 - Leadership



Acceptable Sampling

- Based on scope of issue
- Representative samples
- Available resources



Random Sampling

- Requirements
 - Objectivity
 - Statistical representation
 - Variables to consider

RAT STAT

- Free OIG software
- Random sample with statistical validation
- Based on number of variables considered
- Single-Stage
 - Unduplicated quantity of random numbers
 - Choose random Account numbers from a known range
- Set of 2 Numbers
 - Unduplicated pairs
 - Example account number and NPI
- Set of three numbers
 - Output in sequential order, random order, or a mixture of both
 - Account number range, NPI and CPT

Frames

- Sampling items either
 - Contains gaps of numbers or
 - The numbering systems repeat
- Non sequential Item numbers
 - 1 - 1050 (frame 1)
 - 8405 - 9565 (frame 2)
- Random Sampling

<u>Frame</u>	<u>Item Number</u>
1	20
2	8452
2	8584

Example

- A sample of five items is needed. Three of these items should be in sequential order and the remaining two in random order
- Non Sequential Account numbers

800-1050

8405-9565

SEQUENTIAL ORDER

<u>FRAME</u>	<u>ITEM NUMBER</u>
1	860
2	8452
2	8584

RANDOM ORDER

<u>FRAME</u>	<u>ITEM NUMBER</u>
1	8012
1	912

Example

Random Numbers -- Sets of Two Numbers

Do you want to enter a seed number? no yes

Name of the audit/review:

Enter the quantity of numbers to be generated in:

	Sequential Order	Spares in Random Order
	<input type="text" value="3"/>	<input type="text" value="2"/>

The sampling frame:

	Low Number	High Number
First Set	<input type="text" value="800"/>	<input type="text" value="1,050"/>
Second Set	<input type="text" value="8,405"/>	<input type="text" value="9,565"/>

HELP

Main Menu

EXIT

OUTPUT TO

- Printer
- Text File
- Access File
- Excel File
- Flat File

Click on File Name(s) when the desired output formats have been checked in the OUTPUT TO box.

CONTINUE

Results

Windows RAT-STATS				
Statistical Software				
Random Number Generator				
Date:	4/24/2019	Time:	21:48	
Audit:	Review Implantable Supplies			
Order	First Value	Second Value	Seed Number	Frame Size
2	908	9238	78498.63	291,411
3	920	9188		
1	1046	8759		

Audit Team

- Internal
 - Members of the organization
 - Members of the team
 - Time available
 - Skill
 - Objectivity
- External
 - Outside individual or entity
 - Objectivity
 - Skill
 - Perception



Audit Processes Registration

- Accuracy of captured information
- Completeness
- Compliance
- Peer review – Blind review
- Manager review

Example - Focused Audit

- One-on-one meeting between new manager and registrar identified that training included
 - Running medical necessity on ordered tests
 - Appending modifier GA if medical necessity not met



Lab Review

Windows RAT-STATS
Statistical Software
Random Number Generator

Date:	4/24/2019				
Audit:	Lab Test Review			GA Present (Y/N)	ABN on File (Y/N)
Order	CPT	Acct #			
1	80986	46030			
5	81613	50827			
14	82457	24945			
12	83001	52636			
15	83369	32152			
4	83376	51338			
2	83504	31383			
11	83849	40165			
8	83896	34133			
7	84380	37487			
6	84835	28280			
9	86996	45589			
13	87141	39884			
3	87188	34331			
10	88054	48695			

Quality Audit

Registration	Correct? (Y/N)	Changes (CPT/HCPCS/ Units) Comments
Was the patient's legal name, suffixes, and/or any other aliases included in his/her record?		
Was the patient's address collected and recorded accurately?		
Was the patient's telephone number, social security number, date of birth, and sex documented appropriately?		
Is the patient's employment information correct and up-to-date?		
Is the patient's emergency contact information documented, including appropriate phone numbers and addresses?		
Was the patient's gaurantor information properly identified and recorded (e.g., guarantor's address, social security number, sex, telephone number)?		
Was the patient's financial information identified and confirmed?		
Was the corrected payer information recorded, along with the proper primary/secondary filing order (if applicable)?		
Were all pre-certifications/authorizations attained and authenticated from the patient's insurance company?		
Was the insurance plan code, policy number, and group number (if applicable) recorded?		
Was the subscriber information, coordination of benefits and claims address included?		
Does the patient's record include information on the ordering or registering physician, primary care physician, and source of admission?		
Were the diagnosis or complaint (ICD-9 code) and procedure (CPT code) recorded accurately? (use as many columns as needed)		

Coder Production

- Evaluate non production time
 - Clinic
 - Observation Emergency Department
 - Interventional
 - Cardiac Cath
 - Angios
 - Neuro
 - Ambulatory Surgery
 - Ancillary testing
 - Inpatient



Access to Records

- Entirely online
- % Scanned
- % Transcribed
- % Paper



Access to Coding Tools

- Paper books
- Electronic encoder
- Combination
 - Type of service and % electronic
 - Type of service and % paper

Random vs Focused Coding Audit

- Random
 - Randomly select records and/or providers
 - Statistically valid sample to determine overall result
 - May consider larger sampling
- Focused
 - Dates of service to review
 - Type of service
 - Provider specific
 - Cloning
 - Signatures
 - Accuracy, quality of documentation
 - Department specific
 - Compliance
- Base-line
- Follow-up

Focused Audit

- Interview with MA identified that MA always takes HPI
- Provider imports
- EMR does not tag name of colleague that initiated interview
- Is provider reviewing and discussing with patient?

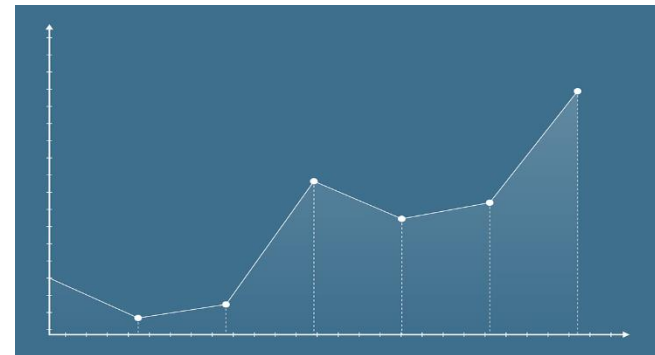
Tools

- Books
 - CPT
 - ICD-10
 - HCPCS
 - Medical Dictionary or terminology
- Software
 - Encoder
 - Random auditing
- Websites
 - CMS
 - OIG
 - Payor
- Audit tools – Keep notes
 - E/M
 - Surgical
 - Other



Medical Record Documentation

- Reason for visit
- Relevant history, physical examination findings,
- Prior relevant diagnostic test results;
- Assessment, clinical impression, or diagnosis;
- plan for care
- Date and legible identity of the observer.
- If not documented, the rationale for ordering diagnostic and other ancillary services should be easily inferred.
- Relevant past and present diagnoses
- Appropriate health risk factors
- Patient's progress, response to and changes in treatment, and revision of diagnosis



Secure Audit Information

- Paper
- Electronic
- Data transfer
 - On site
 - Off site



Inpatient Coding

Acct #	Original DRG	Final DRG	Outcome	ICD-10 Diagnosis Added	ICD-10 Diagnosis Removed	ICD-10 Diagnosis Revised	ICD-10 Diagnosis Resequenced	ICD-10 Procedure Added	Comments
1	189	189	No DRG change, added diagnosis	Z79.11					Recommend to add Z99.11 Dependence on Ventilator per PN pg3, pt dep on CPAP. No impact on DRG.
2	191	292	Potentially Undercoded -new Query	J96.20	J81.1	I50.9	I11.0		Missed query opportunity for CHF type and acute resp failure. Resequenced htn w/heart failure as PDX. Deleted dx code integral to another code.
3	192	190	Potentially Undercoded -new Query	J96.21					Recommend to query for acute on chronic hypoxic respiratory failure.
4	194	167	Potentially Undercoded -see comments				I11.0	unknown	Missing bronchoscopy procedure in order to validate what was done. If the patient had a BAL, for example, that is an OR procedure code and the DRG would change to 167. Revised I11.0 to I13.0 as pt had CHF and CKD.

Inpatient Audit

Principal Diagnosis Code		Secondary Diagnosis Code(s)				Procedure Code(s)				POA		D/C Status	Physician Query		Comments
Correct Yes: 1 No: 0	Key	Total Coded	Total # Correct	# Added / Deleted / Revised	Key	Total Coded	Total Correct	# Added / Deleted / Revised	Key	Total Correct	Total Possible	Correct Yes: 1 No: 0	On Chart Yes: 1 No: 0	Recommend Yes: 1 No: 0	
1		20	21	1	D	1	1	0		20	21	1	0	1	Recommend to query for malnutrition (severe). Per H&P and DS, pt noted to have poor p.o. intake. BMI 24.41, albumin 2.5 gm/dL, Braden score 11, non-healing sacral decubitus ulcers, and pt was placed on supplemental nutrition. Reference: Section III Reporting additional diagnoses.
1 1		4	3	1	E	0	0	0		3	3	1	0	0	Recommend to delete K47.92 Diverticulitis of intestine, part unspecified, w/o perf or abscess w/o bleeding. This is a redundant code to the PDX and is not necessary. Reference: Section III Reporting additional diagnoses
1		22	24	2	C	4	4	0		22	24	1	1	1	Recommend to query the attending if he/she agrees with adding post-op atelectasis to the discharge summary. This diagnosis was noted as a questionable diagnosis in PN 10/27 as the cause of the patient's leukocytosis, and incentive spirometry was ordered. Add J95.89 Other post-op compl & d/o of resp sys, nec and J98.11 Atelectasis. References: CC 2ndQ 2000 Pg17-18.
		25	24	1	D	0	0	0		24	25	1	0	1	Recommend to query for severe protein calorie malnutrition. Revise E46 to E43. Documentation supports severity: pt was noted to have BMI 13.79 in H&P, DS states 80lb weight loss, FTT, poor p.o. intake, pt was on supp nutrition and followed by dietician throughout stay. References: OCG Section III Reporting Additional Diagnoses

E/M

Case #	CPT billed	Presenting Problem	History	Exam	MDM	CPT Reviewed	Modifier billed	Modifier reviewed	DX billed	DX reviewed	TP statement	Comments
19	99232	M	EPF	C	M	99232	GC	GC	T21.25XA T24.211A T24.212A T31.0	T21.35XD T31.0 X16.XXXD	complete	Diagnosis code error: Burns documented as 3rd degree including buttock only. Picture appears to include thigh burns but documentation does not support this. Use of A as 7th character is not correct as visit is subsequent. Corrected 7th character to D (subsequent encounter). Added X16.XXXD for contact with radiator. Cloning: Documentation appears copied from DOS 12/16/2017, 12/18/2017, 12/19/2017 see resource #2
25	99232	H	D	C	H	99222	GC	GC	G93.41 N17.9 E83.52 E13.10	G93.41 N17.9 E83.52 E13.10	complete	CPT error: Consultation is documented. When payors do not accept inpatient consultation codes 99251-99255 initial hospital care codes are used.
26	99222					99291	AI, GC	GC	N18.3 R41.82 I10 E11.9	J96.01 J81.0 I10 E11.9 Z99.11	complete	CPT error: TP addendum includes, patient is critical with acute respiratory failure due to acute pulmonary edema. Documentation by attending includes 45 minutes of critical care time. Diagnosis code errors: added Z99.11 dependence on ventilator (Bipap), add J96.01 acute hypoxic resp failure, J81.0 acute pulmonary edema. Removed N18.3 and R41.82 not documented. Modifier error: AI is not indicated with 99291

O/P Surgery

Issue	CPT	Units	Modifier	ICD-10	CPT Finding	CPT Comment	ICD-10 finding	ICD COMMENT
CPT	11606		59	D04.5	11606	missing add on code 38900 lymphazurin blue injection	C43.59	Diagnosis code
ICD10	38500				38500	intermediate closure of 21 cm incision is coded with CPT 12036.		inconsistency
	12032 -				38900			
	59				12036 -59			
CPT	49561			K43.6	49561	added 77001 fluoroscopic guidance was used to gain access and	K43.6	
	36561			C25.9	36561	place catheter	C25.9	
	49321			C78.7	49321		C78.7	
					77001			
ICD 10	44320			C18.9	44320		C18.9	fistula is
				N82.2			N82.3	documented as
								rectovaginal
CPT	11043 -	3	GC	T81.33X		Debridement code 11044, 11047 are not used for burn	T21.35XD	Diagnosis
ICD10	GC			A		debridement. See CPT burns, Local Treatment series wounds.	T24.311D	requires 7th
	11046 -			T24.312		Code series 16000-16036 is for reporting treatment of burn	T24.312D	character D
	GC			A		wounds that do not require skin grafting. Specific code		indicating
				T21.35X		assignment within this range is determined by % of body area		subsequent
				A		which could not be determined by documentation.		encounter
						CPT® Assistant October 2012 / Volume 22 Issue 10		

Billing

Date Audited:

Billing Rep:

Audit Focus:

Number of Accounts Audited:

Account:

Business Office

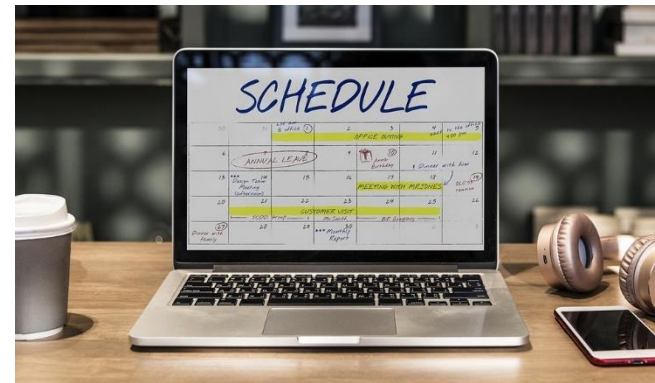
Account	Charge Code	CDM Description Procedure, Supply or Drug	CPT/HCPCS	Fragmented or improperly combined claims	Registration Error	Modifier added or removed	Captured JW modifier	MUE	Late Charges	Claim resolution exceeded 3 days
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Billing

Case	Payment Review	Comment
1	Paid	1. Paid 193.93. CMS payment is 339.93. Contract should be reviewed to determine if this paid correctly. Coder missed Fluoroscopic guidance CPT 77001. This is reimbursable for United Healthcare
2	Paid	Coded 11606 and 38500 (59). 1500 Shows both codes but billing detail only shows 11606. CCI relationship not found, unclear why modifier was applied. It appears the code was removed instead of removing the modifier. The claim should be corrected and 38500 reported. Also, Missed CPT 38900 which should also be billed on corrected claim.
4	Paid	Coder missed 38900. This is a reimbursable procedure. Intermediate closure was downcoded. Claim should be corrected and resubmitted
7	Paid	Add missing procedure per coding review and resubmit corrected claim
9	Incomplete	Missing multiple pages of remittance. This should be reviewed to confirm multiple procedure reduction was applied by payor, since coding missed multiple procedure reduction modifier. This may be overpaid, but cannot confirm.

Deliver Results

- Meet with staff timely
- Report
 - Identify supporting resources and references
- Communication
- Education
- Expectations
- Re-audit schedule



Deliver Results

- Identify relevance – how this contributes to success
- Listen – don't just provide supporting documentation to show why you are right - TMI
- Research and follow up if you are unsure – don't bluff
- Ask for feedback – don't prepare your next response while the interviewee is still talking

Deliver Results

- Summarize
 - Overpayments
 - Other discrepancies
 - Correct coding
- Offer to be a resource
- Reinforce organization goals
- Randomly pull charts and look for areas of concern

Deliver to Revenue Cycle Team

- Graph data elements
 - Number considered
 - Number correct
 - Total revenue audited
 - Revenue impact



"Coming together is a beginning. Keeping together is progress. Working together is success." - Henry Ford



Questions



Resources

- <https://oig.hhs.gov/compliance/rat-stats/>
- <https://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnedwebguide/downloads/95docguidelines.pdf>

Thank You



- Stroudwater Revenue Cycle Solutions was established to help our clients navigate through uncertain times and financial stress. Increased denials, expanding regulatory guidelines and billing complexities have combined to challenge the financial footing of all providers.
- Our goal is to provide resources, advice and solutions that make sense and allow you to take action.
- We focus on foundational aspects which contribute to consistent gross revenue, facilitate representative net reimbursement and mitigate compliance concerns. Stroudwater Revenue Cycle Solutions helps our clients to build processes which ensure ownership and accountability within your revenue cycle while exceeding customer demands.
- **Contact us to see how we can help.**

Laurie Daigle, CPC
ldaigle@stroudwater.com
603-553-5303
John Behn, MPA
jbehn@stroudwater.com
207-221-8277