

Adirondack Radiology Associates doubles coder productivity, reduces denials

By using Optum™ Computer-Assisted Coding



Adirondack Radiology Associates (ARA) is the premier radiology group in the North Country of upstate New York, which includes Warren, Washington, and Saratoga Counties. ARA owns and operates three diagnostic imaging centers: North Country Imaging Center, MRI at the Pruyn, and Saratoga Imaging Center. ARA also provides exclusive radiology services to Glens Falls Hospital. ARA includes 14 radiologists, one physician assistant and one radiology assistant.

Challenges

Until 2007, ARA relied on manual processes to handle the processing, coding and billing of radiology reports for nearby Glens Falls Hospital. Up to 1,000 radiology reports were printed each day at the hospital, and couriers transported the reports to ARA. The reports were manually sorted by date of service and modality at ARA, and then assigned to a member of the coding staff, who would handwrite the appropriate diagnosis code and modifiers on the reports. Finally, the reports were sent to data entry for input into the practice management system, which involved entering all of the codes, modifiers and patient identification numbers.

Besides being error-prone, this cumbersome process consumed substantial labor resources. Up to five or six people would handle each report during the process, and the average turnaround time from report receipt to billing was about three days. The sorting and data entry processes occupied an entire full-time equivalent (FTE), and it took four full-time coders — encoding 80 to 90 records per hour — to handle the volume.

Highlights

- Coder productivity doubled from approximately 90 to 180 records per hour
- Coding that previously required four full-time coders, now requires only one
- Excess coders reassigned to other billing areas needing attention
- Coders enjoy flexibility of working remotely
- Working in combination with other solutions, average A/R days reduced by 10
- Dashboard enables improved tracking

Solutions

With costs and workloads escalating, ARA began evaluating computer-assisted coding (CAC) solutions in 2006 to transform its processes. “The physicians who we work with were as interested in CAC solutions as our billing staff,” said Kerry Pullen, ARA business office manager. “Our doctors care about compliance as much as our coders, and they realize the benefit of getting the bill out the door faster and more accurately the first time.”

ARA evaluated solutions from several vendors, and selected the Optum™ Computer-Assisted Coding solution. Optum CAC is a sophisticated coding solution that improves and enhances the overall coding process. The solution automates the assignment of medical codes based on clinical documentation, which saves human time and resources. The high level of accuracy delivered by Optum CAC is driven by a proprietary and patented natural language processing (NLP) technology called LifeCode®. Optum’s LifeCode NLP technology has sophisticated inference rules that allow it to “understand” how documentation relates to coding rules, and integrates its symbolic analysis with a knowledgebase that consists of more than 10 million medical facts. The result is the consistent interpretation of clinical content so organizations can capture all of the revenue they’ve earned.

Due to other internal initiatives that took priority, ARA waited until 2007 to implement the Optum CAC solution. “Upon implementation the training and setup went smoothly, and we were processing transactions immediately after go live — there was no delay,” Pullen said.

With the Optum CAC solution in place, ARA now receives radiology reports from Glens Falls Hospital electronically, rather than using a courier to transport hard copies. “Once I receive the electronic files, I start the FTP server that sends them to the Optum CAC solution,” Pullen said. “In just minutes after I send the files, they’re being processed and are usually completed within an hour, much faster than Optum’s 24-hour turnaround time commitment.”

“Using Optum CAC saves our coders a lot of time,” said Kathy Shevlin, an ARA coder. “When the records come back flagged as a ‘straight to bill’ status, we don’t even see them. They literally go straight to bill. And the records that go into the QC queue are handled efficiently. Sometimes we simply need to make a quick fix, but often, we just need to verify that the correct codes were assigned.”

ARA also implemented the Optum™ Computer-Assisted Coding Audit Module, which works in conjunction with the Optum CAC solution. The Optum CAC Audit Module is a complete medical record auditing software application that automates and accelerates the audit process. The solution automatically determines a statistical sample size of records based upon user-selected parameters. In seconds, medical records are queued for audit review. Auditors then review the records, and have the ability to comment and edit appropriately. The Optum CAC Audit Module applies a pre-defined or user-defined scoring methodology, based upon weights and values that directly correlate to the auditor’s edits and comments.

“Our coding audits were completely manual in the past and very time consuming,” Pullen said. “We had someone pick out reports, print them, and route them to appropriate people. All of it wasted paper and time. With the Optum CAC Audit Module, the audit process is quick and simple, and everything is stored in the system so it’s easy to find in the future.”

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Results

Quickly following implementation, ARA noticed substantial coder productivity improvements. “Previously, our coders encoded about 80 to 90 records per hour. Now that we’re using Optum CAC, we’ve doubled that rate,” Pullen said.

The increased productivity has enabled ARA to restructure its coding staff. The workload that used to require four full-time coders to process the reports from Glen Falls Hospital, now only requires a single coder. One coder worked on a per-diem basis, and is now only used when needed, and the remaining two staff coders have transitioned to focus on other billing issues within ARA. “One coder has transitioned to do all of our coding for Medicare and Medicare Advantage Plans, and has taken on other billing duties as well. She also is a back up for Optum coders due to vacations, sick days, time off, or if volume gets backed up,” Pullen said.

“One of our coders focuses on interventional radiology coding. She also is now able to preview all patients that are coming in for high-level imaging exams to make sure they meet medical necessity guidelines based on the insurance carrier’s policies,” Pullen added.

An additional benefit of using the Optum CAC solution is that it allows ARA coders to work from home. “That definitely frees up our office space, and the coders like working from home as well because of the flexibility it offers,” Pullen said.

Moving away from manual processes has also enabled ARA to improve how it monitors the billing process. “We have a better tracking process in place now that we use Optum CAC. The solution’s dashboard allows us to see when coders log in, how long they work, and how many reports they processed. The system tells you who touched which report and what they did, which increases accountability,” Pullen said.

ARA has also realized reductions in claim denials since using Optum CAC. “Our denial rate has definitely decreased since we started using Optum CAC. The solution allows us to see multiple reports at a time, and avoid duplicate billings. Plus, local coverage determinations are built into the system, so we know that when a code gets assigned it will be covered by insurance,” Pullen said.

“Optum CAC also allows us to avoid bundling issues, which is especially important with radiology coding,” Shevlin said. “With Optum CAC, we can see multiple procedures per doctor ID, so we can add the appropriate modifiers initially when we submit the claim. This has decreased our rejection rate. In the past it was hard to catch and our claims would sometimes deny because the payer thought we were sending duplicate bills, when actually we performed two procedures on the same day.”

Additionally, ARA has realized a reduction in its average accounts receivable (A/R) days, due to the ability of Optum CAC to work in combination with other solutions, such as clearinghouse services and practice management systems. In 2006, ARA’s A/R days averaged 36 days, and has since been reduced to 26 days.

Looking Ahead

ARA plans to expand its use of Optum CAC in the coming year. Currently, ARA is only using Optum CAC to process the reports received from Glens Falls Hospital. Now, ARA is working on using Optum CAC for all of its radiology clinics to improve efficiency.

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Also, ARA is relying on Optum CAC to help it during the transition to ICD-10 in 2014.

"With ICD-10, our use of Optum CAC is going to be even more important. It's going to help educate our staff and assist us in cross walking to the new ICD-10 codes," Pullen said.

"Our ICD-10 preparations include continuing our relationship with Optum," Pullen said.

"The best thing about Optum is its customer service staff. They visit our site every year for no extra charge and review how we're using their solution to help us improve our processes. I wish more companies would work as closely with their customers as Optum does."



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