Medical Necessity Reviews: CDI Impact on Provider Documentation

Learning Objectives

- At the completion of this educational activity, the learner will be able to:
  - Identify opportunities to improve attending documentation of medical necessity for observation and inpatient hospitalization in order to decrease denial vulnerabilities
  - Develop a process for retrospective audits of observation, inpatient, and short-stay ICU admissions
  - Outline strategies to impact physician behavior and hospital system processes through educational tools and strategic distribution of audit results

Denver Health and Hospital Authority

- 525-bed safety-net hospital
- Adult Level I/pediatric Level II trauma center
- Community & school-based clinics
- 700 providers
- University of Colorado School of Medicine
- 1,000 resident physicians
Denver Health Statistics: 2015

- 25,000 inpatient admissions
- 3,800 observation stays
- 90,000 ED visits
  - 66% adult ED
  - 29% pediatric ED
  - 5% psychiatric ED

$90 million uncompensated care

Denver Health Payer Mix: Discharges 2015

- Medicare: 53%
- Medicaid: 14%
- Private*: 24%
- Uninsured*: 9%

*Private includes commercial, dialysis, auto insurance, DMP, and troop, uninsured includes DFAP, CICP, self-pay

Denver Health CDI

- Spring 2008: Pilot project
- December 2008: Permanent program
  - CDI RN: 3 FTEs
- 2012–2015: Program expansion
  - Physician director of care management and CDI
  - CDI RN: 4.8 FTEs
  - Business analyst
Denver Health CDI

- 2009–2012: Traditional program
- 2013–present: Retrospective audits
  - Medical necessity: Patient status reviews
- Recovery Audit Program (formerly RAC)
  - Medical necessity denials

Retrospective Audit Process

Audits ➔ Interventions ➔ Feedback

Audience “Stand Up” Questions

- Does your CDI team do retrospective reviews?
- If so, does your CDI team do retrospective audits for patient status (inpatient/OBS)?
Recovery Audit Program

- Demonstration project 2005–2008
  - $993 million recouped
    - $828 million: Overpayment to inpatient hospitals
    - 41%: Incorrect setting

- Permanent program
  - Majority of $ recouped: Short-stay inpatient
  - Incorrect setting
  - Most medically necessary

Denver Health Medicare Recoupments

- Dates of service: 2009–2012

  91% of the recouped $ due to medical necessity denials
### 2014 IPPS
- 2-midnight rule
- Exceptions
  - Inpatient-only procedures
  - Transfer
  - Unexpected death
  - AMA
  - Expeditious recovery
  - New-onset mechanical ventilation
- Probe-and-educate audits

### 2016 OPPS
- Updates to the 2-midnight rule:
  - < 2-midnight stays: Case-by-case basis
  - ≥ 2-midnight stays: No changes
  - Short IP stays still high risk

### 2016 OPPS: Changes to Audit Process
- Reviews: Quality Improvement Organizations (QIO)
  - Primary focus: Education
- Patterns of non-adherence: Recovery Audit Program
  - Review period decreased to 6 months
  - Complex reviews completed within 30 days
Regardless of all the changes in the rules ...

Documentation must support patient status

Documentation to Support Hospitalization

<table>
<thead>
<tr>
<th>CMS</th>
<th>Denver Health</th>
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</thead>
<tbody>
<tr>
<td>• Preexisting medical conditions impacting the stay or course of</td>
<td>• Diagnosis</td>
</tr>
<tr>
<td>care</td>
<td>• Severity of condition</td>
</tr>
<tr>
<td>• Severity of the signs and symptoms</td>
<td>• Hospital services indicated</td>
</tr>
<tr>
<td>• Medical predictability of adverse events</td>
<td>• Comorbidities affecting the acute condition</td>
</tr>
<tr>
<td>• Need for diagnostic studies and the availability of those</td>
<td>• Risk of morbidity/mortality</td>
</tr>
<tr>
<td>diagnostic procedures at the time and location of the hospital</td>
<td></td>
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</tbody>
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Audit Process Overview

• Audits began July 2013
• Targeted areas
  – ED, adult & adolescent psychiatry, medicine, and pediatrics
• Weekly retrospective audits
• Random samples
• 3 CDI RN auditors
• Utilized an audit tool
ED Admission Note

- Dx: “Septic shock”
- Severity of condition: “TCr and SBP < 90”
- Comorbidities: “Age 80, recent intra-abdominal abscess”
- Evaluation/Tx plan: “IV abx, serial labs, serial exams”
- Risk of morbidity/mortality: “Septic shock can lead to death”

Audit Tool

Audit Tool
Interventions

- Feedback & education
- Provider incentive plan
- Form revisions
- Tip cards

Feedback and Education

- Meetings with physician leaders
- Group education presentations to providers and care coordination
- Group and individual emails

Group Results: ED
July 2015
Group Results: ED July 2015

Composite Physician Score

De-Identified Physician Number

Individual Results July 2015

Physician #1 7 Records

Attending Note Present Likely/Susp’d Diagnosis Severity of Condition Hospital Services Indicated Comorbidity Risk of Mortality Valid Signature Composite

Provider Incentive Program 2015 Provider Incentive Program Documentation Initiatives

MED NECESSITy DOCUMENTATION

95%

0.63 % Current Bonus Documentation Score Percentage

S1% Target Stretch

B1% S1% (25%) Period of Performance 4TH QUARTER 2015
34 Tip Cards

35 Success!

36 ED Attending Note Audit Improvement Project
July 2013–December 2015

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Individual Provider Results
July 2013–December 2015

Individual provider score

100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%

Jul 13
Sep 13
Nov 13
Jan 14
Mar 14
May 14
Jul 14
Sep 14
Nov 14
Jan 15
Mar 15
May 15
Jul 15
Sep 15
Nov 15

39%
61%
96%
100%
75%
61%
Collaboration

- Care management
- Medical necessity audits
- Presentations: High-target DRG education
  - Cellulitis
  - Chest pain
  - GI/pancreatitis
  - Heart failure
  - Respiratory
  - Syncope

Limitations

- Change in care management department
- Inclusion of only a portion of providers in incentive program
- Resistance to adult tip cards
- Admission process

Continued Efforts: Audits

- Expanded audits to include:
  - 1- and 2-day inpatient admissions
  - 1-day ICU admissions
ICU Short Stays

**ICU audit tool**

- ED attending documentation
- Likely/suspected diagnosis
- Severity of condition
- ICU hospital services indicated

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ICU Short Stays

Frequent Interventions
- Mechanical Ventilation
- Critical Care IV Meds
- Other ICU Needs
- Resolved in ED
- Readmit within 30 days
- AMA re-admit
- ICU Time (hrs)

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ICU Appropriate 1-Day Stays

*July 2015–December 2015*

- YES
- NO

- 84% YES

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Continued Efforts: Collaboration

- Compliance department
- Billing department
- Coding department
- Physician education
  - Concurrent reviews
  - Email communication

Summary

References

Thank you. Questions?

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