

RevenueSource® Suite Helps California Hospital Head in a Prosperous Direction

Mad River Community Hospital, a privately owned 78-bed rural facility is located in Arcata, California. Like many other facilities today, it has been struggling with its bottom line. In late 2002, a chargemaster consultant delivered unhappy news to the Business Office Manager Gordon Bigham. “If we were to receive a grade, ours would have been near failing,” says Bigham. “We had codes that shouldn’t have been in the chargemaster, and codes that weren’t in the chargemaster but should have been. We had to clean it up but we were overwhelmed. We didn’t think there was ever going to be an easy way to fix and maintain our chargemaster.”

Solution

The hospital purchased CodeCorrect’s RevenueSource® Suite for all coders, billers and managers. In short order, departments throughout the hospital were fitting CodeCorrect into their daily workflows:

- When changes are made to the hospital’s chargemaster, the new chargemaster file is uploaded to CDM Manager®. The staff can quickly identify any data entry keying errors. This also allows the hospital to check compliance or reimbursement issues.
- The staff uses CodeCheck and CodeBase modules within KnowledgeSource® to find information related to billing and reimbursement issues. “These tools have assisted the hospital in identifying items that we should have been billing for, such as contrast for certain radiology, CT, nuclear medicine and MRI procedures,” states Bigham.
- Each month the hospital uploads UB92s into RevenueDashboard® to determine if there are any issues negatively affecting reimbursement. “We can drill down to analyze trends and assist us in determining the cause of any net loss. Revenue-

Dashboard’s reports and graphs are especially useful in identifying possible coding and modifier usage issues. We have been able to determine that the bilateral and incomplete procedure modifiers are being under-utilized in radiology and surgery resulting in lost reimbursement,” explains Bigham.

Results

“I meet with a different department each week and we use CodeCorrect as our tool,” explains Bigham. “We review charges and actual bills to see what needs to be fixed.” The CodeCorrect suite has paid for itself several times over by helping to identify tens of thousands of dollars in missed opportunities:

- RevenueDashboard identified missing opportunities in the radiology department equaling between \$35,000 to \$40,000 a year in both gross charges and lost revenue.
- In pain management, the hospital was missing a lot of evaluation and management codes, adding up to about \$25,000 annually.
- In surgery, the RevenueDashboard identified missing opportunities in billing for incomplete surgeries, which is likely to equal \$20,000 a year.
- The Possible Billable report in CDM Manager identified another \$20,000 in potential billable items.

“I’d say we’re looking at \$100,000 in improvement, and we’re not even done yet,” says Bigham. “If someone asked me about the benefit of using CodeCorrect, I would probably tell him that if they’re not using CodeCorrect they’re missing a lot of opportunities to improve efficiency and reimbursement.”