

CodeCorrect Untangles the Pass-through Coding Knot for Houston's Award-winning Hospital

The Methodist Hospital, Houston is recognized by *U.S. News and World Report* as one of the "Best Hospitals in America," and is one of a small group of hospitals around the country awarded Magnet status – the most prestigious nursing award in the United States. This 1,000-bed hospital annually provides care to nearly 38,500 inpatients and 326,500 outpatients.

Challenge

In his 30-plus years at the hospital, Director of Revenue Cycle Project Initiatives John Woodward has had more than his share of headaches in coding, compliance and CDM management. But he says nothing has compared to the difficulty of implementing APCs.

"The onset of APCs made it difficult for any one person to maintain the expertise to keep up with the changes that occurred each quarter," says Woodward. "In the past we depended on each department to follow the changes that occurred in their product line through publications and professional organizations. We also dispensed copies of regulations and provided links to the Governmental Web sites to each department. We then monitored change requests to ensure that updates were being made."

Woodward notes that the transitional pass-throughs were a nightmare to track. The hospital established a policy that if an item could be a transitional pass-through, it could only be brought into the hospital if the vendor provided a pass-through number. Despite the hospital's best efforts, this purchasing policy didn't always work.

Solution

Woodward and his team spent six months in frustration after the APC system was implemented. But while at a HIMSS tradeshow, he landed in the right place at the right time.

"I was at a product demonstration and I looked across the aisle and saw the C-codes flash up on the screen. I saw that you could look up the

device by vendor, by manufacturer's number, by description. I got up from my chair and walked right over to CodeCorrect," he says.

After returning to Houston, Woodward contacted other vendors to learn if they offered a similar solution. In short order, however, the hospital settled on CodeCorrect to obtain one-stop information about outpatient procedure, diagnosis, modifier and pass-through coding to optimize compliance, as well as keep the chargemaster complete and accurate.

Results

Woodward's team was the first to use CodeCorrect to investigate and correct billing errors, and it didn't take long before the hospital disseminated CodeCorrect to other directors across the system.

"We mandated that directors be trained on the product and that designated users within their department also be trained. Since we've had CodeCorrect, we've probably trained between 250 and 300 users," Woodward says.

With so many people having access to CodeCorrect, Woodward notes there is a greater frequency of submission of changes to the CDM. To him, this indicates that directors across the system are better able to keep up with coding changes.

A sizeable asset, says Woodward, is the Informant™ service, which offers e-mail notification of relevant coding and compliance rules changes. "I think some of the reason why people didn't make changes is because the process was too difficult. They've indicated that getting the CodeCorrect e-mails notifying them when changes are occurring makes it much easier."

Woodward summarizes his experience this way: "CodeCorrect is a valuable tool that reduces the amount of research necessary to make changes to keep up with regulations."