



Memorial University Medical Center

Location

Savannah, Georgia

Emergency Department

100,000 APV

Solution

- RevCycle+ full service facility coding

Results

- \$24.8 million gross annual revenue increase:
- \$259 increase per patient for facility E/M charges
- \$31 increase per patient for facility procedure charges
- \$502 increase per patient for observation services charges

The Challenge

Memorial University Medical Center (MUMC) saw red flags when reviewing an internal chart audit. In many cases, they noticed the ED documentation did not match charge entries; they were not accurately capturing charges in the ED.

While using a charge voucher system, the hospital had underestimated the training needs of the staff performing the charge entry. Nursing documentation alone, rather than physician documentation and orders, were the bases of charge entries. This among many factors resulted in an incomplete picture of the services performed.

MUMC invited T-System to provide a more extensive ED chart assessment to evaluate the situation. According to the assessment, MUMC was under-assigning the patient level of service more than 70 percent of the time, resulting in very low distribution levels for a hospital of MUMC's size. Errors and omissions were found with both the CPT coding and assignment of injections and infusions codes. A review of observation services patients revealed well-documented procedures omitted from the bill. Some charts were missing infusion stop times which resulted in an inability to bill those services. In total, T-System found that MUMC had the potential to improve gross revenue by \$24.8 million per year through more accurate and efficient charge capture and coding for ED and observation services.

The Solution

To solve inaccurate charge capture and qualified staffing issues, MUMC hired T-System to provide full-service facility coding for ED and observation services.

Using advanced coding software, the clinically-trained and professionally-certified T-System coders took over coding calculation, code assignment and quality assurance. MUMC received access to real-time performance reports to better understand where documentation deficiencies occurred and other improvement opportunities could be made. With the new coding system, billing modifiers that the former coders didn't have the training to assign could now be automatically assigned to

provide additional information about the procedures and allow for more accurate payment. Documentation review and query processes were adjusted to now also include information recorded by physicians to ensure no charges were missed.

The Results

A few months after transitioning to T-System's RevCycle+® service, MUMC's revenue quickly increased to the numbers T-System had estimated. And, just a few months later, revenue continued to improve even further to \$1,269 per patient visit, from the original baseline of \$1,040 per patient visit. The new system and team of coding experts added to the assurance of compliance and data integrity, and MUMC had accurate, defensible charges.

Distribution levels improved to a normal bell curve expected for a hospital of MUMC's size. A higher level of service was assigned for about 65 percent of the ED patients, and a lower level of service was assigned to three percent. Also, a higher level of service was assigned for about 70 percent of observation cases.

“Overall, T-System has helped us greatly reduce the cost for charging and coding,” Watson said.

“Accuracy and efficiency were primary goals, and we met those in the first month of implementation. Additionally, because of the success of this project, we are looking at other ways T-System can bring additional value.”

Coding turnaround times improved to consistent rates at less than 48 hours, improving the speed and efficiency of billing. Faster turnaround times led to improved rates of patients paying bills.

The results MUMC achieved are commendable with overall gross annual revenue of \$126.9 million, a \$24.8 million increase since partnering with T-System. With the support of T-System, the hospital transformed the system of charging and coding while increasing accuracy and efficiency.

“We were impressed by the accuracy of the estimated ROI that T-System presented us. From the first month of service, T-System quickly gained the hospital leaders' and staff's trust with impactful and observable results.”

-Jamie Watson
VP of Revenue Cycle

MUMC Facility E/M Level Bell Curve Improvement – Before/After T-System

