Authorized vs. Performed Outpatient Surgery Denials

Lean Sustainment Report Out

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Ochsner Health System
New Orleans, LA
Ochsner Health System

Profile

- Largest Integrated Health System in Gulf Coast
- 11 Hospitals and 60 Health Centers
- 1,200 Clinically Integrated Physicians
- Largest Private Employer in Louisiana
- Largest Clinical Trials Program in Gulf South

Nationally Recognized Quality

- Top 1% Clinical Quality in U.S.
- Top 10% Nationally in 13 Specialties
- Top 100 Hospitals in U.S.
- Ranked in 6 Specialties by US N&WR
- Top Liver Transplant Center in U.S.
Background

• Increasing denial frequency for different surgical procedures being performed versus authorized
  – Errors in case request entry prior to surgery
  – Actual procedure changes while in OR

• No formal escalation protocol for OR staff to Rev Cycle

• Creates backend rework often without overturning denial

• Concurrent coding not possible due to case volume
Background

• 138 denials over 6 months
  – $1.7M gross dollars denied
  – $330,600 in write-offs

• Across all specialties

• Across all payors

• Across 7 different facilities
Original Conditions

• **Goal**: Reduce authorized versus performed outpatient surgery denials at Jefferson Highway by 50% starting in Q3 2015
  - Payor contract restrictions
  - Estimated $384,632 reduction in denials

• **How**: Develop standardized workflow within Epic to identify outpatient surgery procedure vs. authorization mismatches in real time
  - Develop coding flag to escalate mismatch cases
  - Develop case routing in Epic to fit current Pre Service authorization workflow
## Surgical Volumes

<table>
<thead>
<tr>
<th></th>
<th>Inpatient Surgery</th>
<th>Outpatient Surgery</th>
<th>Cath Lab</th>
<th>Facility Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>JEFFERSON HIGHWAY</td>
<td>8,724</td>
<td>10,542</td>
<td>2,244</td>
<td>21,510</td>
</tr>
<tr>
<td>BAPTIST</td>
<td>1,690</td>
<td>6,033</td>
<td>116</td>
<td>7,839</td>
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<tr>
<td>NORTHSHORE</td>
<td>1,016</td>
<td>3,916</td>
<td>510</td>
<td>5,442</td>
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<tr>
<td>BATON ROUGE</td>
<td>1,290</td>
<td>2,902</td>
<td>426</td>
<td>4,618</td>
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<tr>
<td>KENNER</td>
<td>1,548</td>
<td>2,351</td>
<td>342</td>
<td>4,241</td>
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<tr>
<td>CHABERT</td>
<td>669</td>
<td>2,676</td>
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<td>3,345</td>
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<tr>
<td>WESTBANK</td>
<td>1,142</td>
<td>2,373</td>
<td>276</td>
<td>3,791</td>
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<tr>
<td>BAYOU</td>
<td>306</td>
<td>1,497</td>
<td></td>
<td>1,803</td>
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<tr>
<td><strong>SYSTEM TOTAL</strong></td>
<td><strong>16,385</strong></td>
<td><strong>32,290</strong></td>
<td><strong>3,914</strong></td>
<td><strong>52,589</strong></td>
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</tbody>
</table>
Analysis/Evaluation of Problem

Major Pain Points
- Accurate CPT codes in case request
- Capturing Px changes during and after
Analysis/Evaluation of Problem

- No formal/required Post Procedure timeout
- Procedures not linked to CPT codes
- Procedure verified after Brief Op Note Completed
- Surgeon leaves OR before post procedure verification
- Changes to Case Request do not alert PreService
- Free text field used to include multiple procedures
- Procedures not updated intra-operatively
- Room turnover time
- All CPT codes not entered in case request
- Case request entry not standardized
- No current CPT codes books
- Correct CPT code not known
- Op Notes not completed timely
- Surgery scheduler productivity impacted by add-on...
- Notes from Brief OP note do not match Full Op note
- Auth/Cert approved status updated incorrectly
Analysis/Evaluation of Problem

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What Was Implemented

- Epic build identifies procedure mismatch between case request and verified surgery log
- Post-procedure verification hard stop for surgeon/circulator
What Was Implemented

- Real time alert on Coding Push Pin report for mismatched procedures
- Update to reroute updated CPT codes to Pre Service workqueue
- Routing of mismatch cases to Pre-Service workqueue for reauth
## Results/Current Conditions

<table>
<thead>
<tr>
<th></th>
<th>Eligible for Change of Procedure Workflow</th>
<th>Surgery Change of Procedure</th>
<th>% Surgeries Reauthorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>JEFFERSON HIGHWAY</td>
<td>10,542</td>
<td>1295</td>
<td>12%</td>
</tr>
<tr>
<td>BAPTIST</td>
<td>6,033</td>
<td>599</td>
<td>10%</td>
</tr>
<tr>
<td>NORTHSHORE</td>
<td>3,916</td>
<td>552</td>
<td>14%</td>
</tr>
<tr>
<td>BATON ROUGE</td>
<td>2,902</td>
<td>591</td>
<td>20%</td>
</tr>
<tr>
<td>KENNER</td>
<td>2,351</td>
<td>217</td>
<td>9%</td>
</tr>
<tr>
<td>CHABERT</td>
<td>2,676</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>WESTBANK</td>
<td>2,373</td>
<td>230</td>
<td>10%</td>
</tr>
<tr>
<td>BAYOU</td>
<td>1,497</td>
<td>38</td>
<td>3%</td>
</tr>
<tr>
<td><strong>SYSTEM TOTAL</strong></td>
<td><strong>32,290</strong></td>
<td><strong>3522</strong></td>
<td><strong>11%</strong></td>
</tr>
</tbody>
</table>
Results/Current Conditions

- Reauthorized 94% change of procedure events
- 17% annual reduction in denial amount
- 34% annual reduction in denial count
- 79% annual reduction in authorization write-offs
- Workflows standardized across all Epic user groups
- Cath and EP Lab added to workflow
  - 34% update utilization vs. 11% for surgery
Results/Current Conditions

Successful Surgery Change of Procedure Reauthorizations

- Total Charges
- Net Revenue
- Total Direct Costs
- Count

Year: 2015-2016
Results/Current Conditions

Change of Procedure Denials and Write-Offs
(Not Using Updated Workflow)

Denied Amount
Write-Off Amount
Count

May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar

$0 | $50,000 | $100,000 | $150,000 | $200,000 | $250,000 | $300,000 | $350,000 | $400,000 | $450,000 | $500,000

2015
2016
Sustain Work Ahead

- No formal/required Post Procedure timeout
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Ochsner Health System
The Power of Improvement - Lean
Sustain Work Ahead

• Analyze reauthorized cases for trends within specialties/departments/surgeons/case entry personnel
• Targeted coding education
  – Annual review of coding tip sheets
• Continued education and training of SOP and Case Request Entry
  – Nurses
  – Surgeons
  – Residents
  – Schedulers
• Utilize reporting to identify areas for workflow expansion
Lessons Learned

Key Project Event Members

• OpTime Build Team
• Epic Revenue Cycle IS
• OR Nursing
• Professional Coding & Education
• Pre Service
Lessons Learned

• Go live support
  – Coders report viewing and auth/cert updating access
  – Unusual patient flows can require advanced access in Epic

• Build on and enhance previous gains
  – Cath Lab using Auth/Cert updating workflow for procedure changes
  – Review of Endoscopy

• Be flexible and Dream BIG
  – Original scope was one hospital
  – Only possible rollout was system wide
  – Coordinate staffing levels with Pre Service for adequate coverage
Project Team
QUESTIONS