Optimizing Physician Documentation will Improve Revenue, Profiling and Quality Metrics

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June 15th, 2018

DISCLOSURE

Francesco Aiello, MD

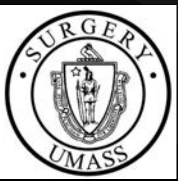
- **No relevant financial relationship reported**

Big Picture

Physician

and

Medical Center



Inpatient
Diagnosis Related Group

- System to classify inpatient hospitalization based on diagnosis, procedures and resource utilization.
  - Diagnosis, present on admission, and procedures
  - MS and APR most common

Medicare Severity (MS-DRG)

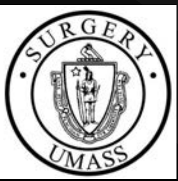
Complication and Comorbidities (CC)

Major Complication and Comorbidities (MCC)

All Patient Refined (APR-DRG)

Severity of illness (SOI)

Risk of Mortality (ROM)

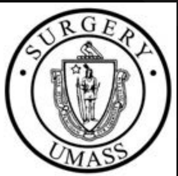


Diagnosis Related Grouping

- Assigned a Relative Weight based on resource utilization:
  - EVAR
    - DRG 269; RW=4.0441=$$$

  – **Case Mix Index (CMI):** The average weight of the DRG within the procedural group.

- Used as a Benchmark by Medical Centers
  – Used by Government, Private and Public quality programs



Medicare DRG Reimbursement

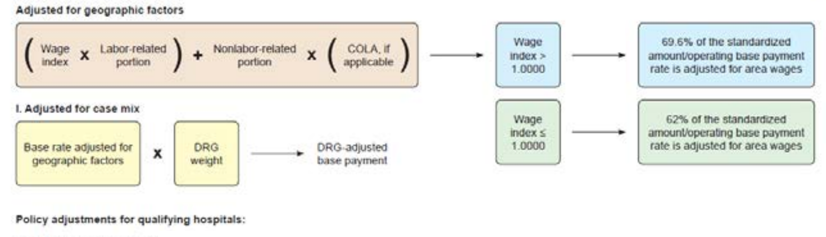
PPS STANDARD RATES

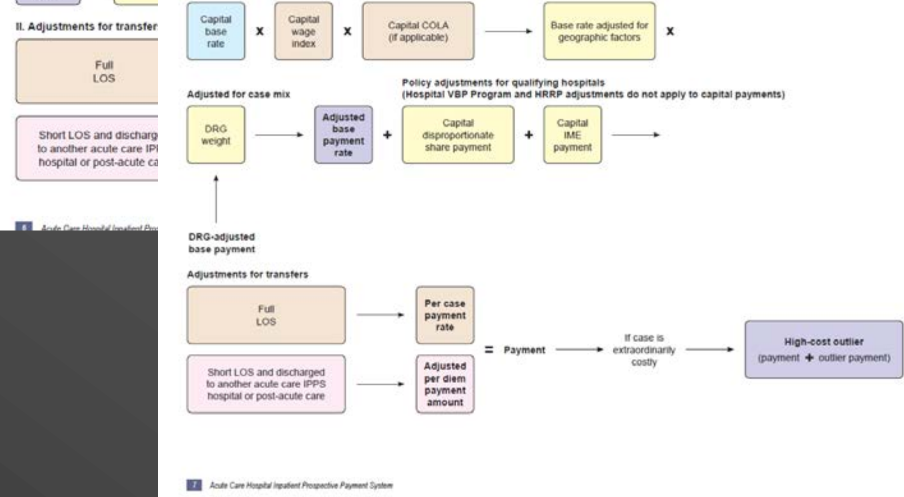
	Final 2017		
	Labor	Non-Labor	Total
Std Rate	$3,839.23	$1,676.91	$5,516.14
Share	69.6%	30.4%	

The amounts below reflect full updates for a hospital that submitted Quality Data and is a Meaningful

	Final 2017	Final 2016
Capital PPS Std Rate	**$446.79**	**$438.75**

COUNTY/WAGE AREA	Final 2017			
	AWI	RATE	Capital GAF	Fed Cap Rate
BARNSTABLE***	1.2783	$6,584.60	1.1831	$528.60
BOSTON-QUINCY	1.3226	$6,754.68	1.2110	$541.08
ESSEX*	1.1822	$6,215.65	1.1214	$501.05
MIDDLESEX	1.2303	$6,400.31	1.1525	$514.92
BRISTOL**	1.2303	$6,400.31	1.1525	$514.92
PITTSFIELD	1.1822	$6,215.65	1.1214	$501.05
SPRINGFIELD	1.1822	$6,215.65	1.1214	$501.05
WORCESTER	1.2303	$6,400.31	1.1525	$514.92





- Indirect Medical Education (IME)
- Disproportionate Share Hospital (DSH)
- Outlier Payments
- Transfer Policy

DRG

TABLE 5.—LIST OF MEDICARE SEVERITY DIAGNOSIS-RELATED GROUPS (MS-DRGS), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—FY 2017 Proposed Rule								
MS-DRG	FY 2017 NPRM Post-Acute DRG	FY 2017 NPRM Special Pay DRG	MDC	TYPE	MS-DRG Title	Weights	GLOS	ALOS
037	No	No	01	SURG	EXTRACRANIAL PROCEDURES W MCC	3.0753	5.3	7.6
038	No	No	01	SURG	EXTRACRANIAL PROCEDURES W CC	1.5775	2.2	3.2
039	No	No	01	SURG	EXTRACRANIAL PROCEDURES W/O CC/MCC	1.0829	1.3	1.5
268	No	No	05	SURG	AORTIC AND HEART ASSIST PROCEDURES EXCEPT PULSATION BALLOON W MCC	6.3127	6.6	9.5
269	No	No	05	SURG	AORTIC AND HEART ASSIST PROCEDURES EXCEPT PULSATION BALLOON W/O MCC	4.0441	1.9	2.6

- CEA
  - "Healthy patient": DRG 39: 1.112 (w/o CC/MCC)
  - Chronic Systolic CHF: DRG 38: 1.565 (w/CC)
  - Acute on Chronic Systolic CHF: DRG 37: 3.164 (w/ MCC)

Definitions

- Severity of Illness (SOI)
- Risk of Mortality (ROM)
  - scores based on four levels:
- 1 Minor
- 2 Moderate
- 3 Major
- 4 Extreme

Clinical Documentation	Codes to…	SOI/ROM
"acute renal insufficiency"	593.9 Disorder of kidney and ureter	1/1
"acute renal failure"	584.9 Acute kidney failure, unspecified	4/4
"acute kidney injury"	584.9 Acute kidney failure, unspecified	4/4
"chronic renal insufficiency"	585.9 Chronic kidney disease, unspecified	1/1
"CKD, Stage "	585.3 Chronic kidney disease, stage	2/2
"End stage renal disease"	585.6 End stage renal disease	3/3

Diagnosis

- Specific
  - Acute, chronic or acute on chronic
  - Location, location, location
- Present on Admission (POA)
  - Yes, No, Clinically unable to determine
    - Timing
  - Quality and financial
    - Hospital acquired conditions (HAC)

Diagnosis

- Link Diagnosis
  - Contributory or separate and unrelated
- Clinical Significance
  - Expected (ileus…)
  - Causative
    - Postoperative acute blood loss anemia
- Procedure
  - What was full scope of Procedure
    - Excisional vs. I&D
  - Planned or unplanned?

Linking Diagnosis

- **Diabetes**
  – Neuropathy (E11.40 HCC)
- **Atherosclerosis**
  – Gangrene
  – Chronic total occlusion
- **Failure to Thrive**
  – **Nutritional Status?**
  – Malnourished; severe, moderate?
  – Morbidly Obese (I know your not treating their obesity)

How Does It Impact?

Medicare DRG and MDC Information

269 AORTIC AND HEART ASSIST PROCEDURES EXCEPT PULSATION BALLOON

005

Estimated Reimbursement

Total: $38196.35
Status: Inlier

APR (all versions) DRG and MDC Information

173

005
2
1

Principal Diagnosis

*I714

Secondary Diagnoses

R0689

#N179

Principal Procedure

*04V03DZ

Medicare DRG and MDC Information

269	AORTIC AND HEART ASSIST PROCEDURES EXCEPT PULSATION BALLOON W/O MCC
	CMS wt 3.9041 A/LOS 2.6 G/LOS 1.9
005	DISEASES & DISORDERS OF THE CIRCULATORY SYSTEM

Estimated Reimbursement -- Medicare Inpatient

Total: $38196.35
Status: Inlier

APR (all versions) DRG and MDC Information

173	OTHER VASCULAR PROCEDURES
	APR wt 2.0744 Low Trim 1 High Trim 14 ALOS 3.83 GLOS 2.90
	Status: LOS Inlier
005	CIRCULATORY SYSTEM
2	Moderate Severity of Illness
2	Moderate Risk of Mortality

Principal Diagnosis

*I714 Abdominal aortic aneurysm, without rupture

Secondary Diagnoses

#I5022 Chronic systolic (congestive) heart failure

Principal Procedure

*04V03DZ Restriction of Abdominal Aorta with Intraluminal Device, Percutaneous Approach

How Does It Impact?

Medicare DRG and MDC Information

268 AORTIC AND HEART ASSIST PROCEDURES EXCEPT PULSATION BALLOON W MCC

005

Estimated Rei

Total: $60918.87
Status: Inlier

APR (all version

173

005
2
2

Principal Diag
*I714

Secondary Dia
**I5023

Principal Proc
*04V03D

Medicare DRG and MDC Information

268 AORTIC AND HEART ASSIST PROCEDURES EXCEPT PULSATION BALLOON W MCC

005

Estimated R

Total: $60918.87
Status: Inlier

APR (all versio

173

005
3
3

Principal Dia
*I714

Secondary D
**J960

Principal Pr
*04V0

Medicare DRG and MDC Information

268	AORTIC AND HEART ASSIST PROCEDURES EXCEPT PULSATION BALLOON W MCC	
	CMS wt 6.2807 A/LOS 9.9 G/LOS 6.9	
005	DISEASES & DISORDERS OF THE CIRCULATORY SYSTEM	

Estimated Reimbursement -- Medicare Inpatient

Total: $60918.87
Status: Inlier

APR (all versions) DRG and MDC Information

173	OTHER VASCULAR PROCEDURES
	APR wt 2.9436 Low Trim 1 High Trim 26 ALOS 7.86 GLOS 6.1
	Status: LOS Inlier
005	CIRCULATORY SYSTEM
3	Major Severity of Illness
4	Extreme Risk of Mortality

Principal Diagnosis

Y	*I714	Abdominal aortic aneurysm, without rupture

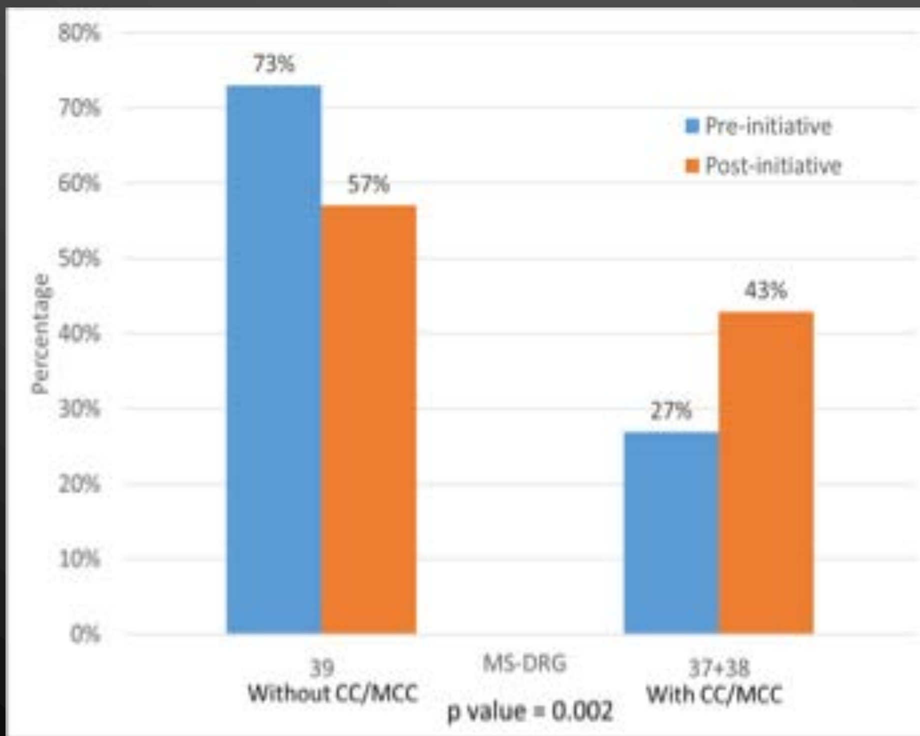
Secondary Diagnoses

Y	**I5023	Acute on chronic systolic (congestive) heart failure
Y	##J9601	Acute respiratory failure with hypoxia

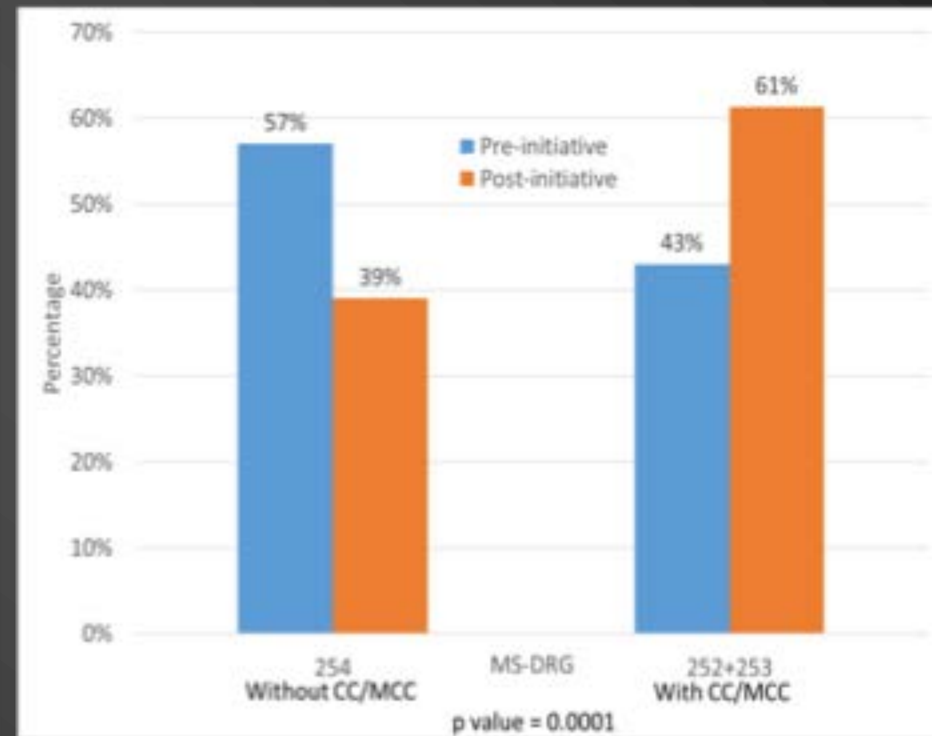
Principal Procedure

Quality and Financial Impact

Carotid Endarterectomy



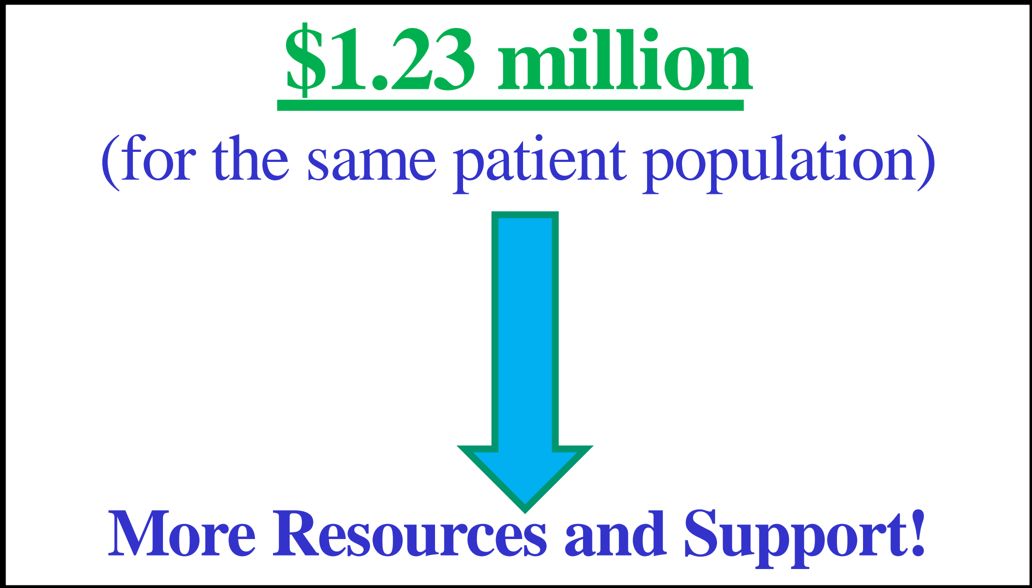
Open Infrainguinal Procedures



Financial Impact

Increase in Contribution Margin **without** change in Cost or Insurance

Open Infrainguinal Procedures	Pre-initiative	Post-initiative	
			p-value
Total direct c			0.96
Base rate pay			<.0001
Total actual			<.0001
Contribution			<.0001



Carotid Enda			
			p-value
Total direct cost ($)	6,730 (4076)	6,629 (3368)	0.78
Base rate payment ($)	8,258 (3261)	8,955 (3521)	0.03
Total actual payments ($)	13,379 (5850)	14,488 (7693)	0.09
Contribution margin ($)	6,650 (5059)	7,859 (7368)	0.05

Focused Documentation

Potential Diagnosis	Improved documentation
CHF, unspecified	Chronic systolic heart failure Acute on chronic diastolic heart failure
CKD, unspecified Chronic renal insufficiency	Stage III-V CKD Acute renal failure
Anemia, unspecified	Anemia due to acute blood loss Anemia secondary to chronic disease Post operative acute blood loss anemia
Peripheral Vascular Disease, unspecified	Chronic total occlusion of SFA Peripheral atherosclerosis of artery with rest pain
Obesity, unspecified	Morbid Obesity BMI 45

Focused Documentation

Diagnosis with impact	Potential Diagnosis with impact
Diabetes mellitus	Type II Diabetes Mellitus with peripheral neuropathy Type II Diabetes Mellitus with nephropathy
Protein Calorie Malnutrition (not documented but BMI in chart)	Mild protein calorie malnutrition (BMI 18)
Vitamin D Deficiency (not documented)	Vitamin D deficiency (patient on Vitamin D supplementation)
Anemia	Anemia due to acute blood loss Anemia secondary to chronic disease Post operative acute blood loss anemia
CKD	Stage III CKD Acute renal failure

Make It EASY-ish

- Common Conditions are Common
  - Documentation errors are repetitive

Umass Medical
Vascular Surgery ICD-10 Codes

CEREBROVASCULAR DISEASE		Description
Occlusion and stenosis of carotid artery without mention of cerebral infarction	I65.2	Occlusion and stenosis of carotid artery
	I65.21	Occlusion and stenosis of right carotid artery
	I65.22	Occlusion and stenosis of left carotid artery
	I65.23	Occlusion and stenosis of bilateral carotid arteries
	I65.29	Occlusion and stenosis of unspecified carotid artery
Occlusion and stenosis of carotid artery with cerebral infarction	I63.031	Cerebral infarction due to thrombosis of right carotid artery
	I63.032	Cerebral infarction due to thrombosis of left carotid artery
	I63.033	Cerebral infarction due to thrombosis of unspecified carotid artery
	I63.231	Cerebral infarction due to unspecified occlusion or stenosis of right carotid arteries
	I63.232	Cerebral infarction due to unspecified occlusion or stenosis of left carotid arteries
	I63.239	Cerebral infarction due to unspecified occlusion or stenosis of unspecified carotid arteries
	I63.131	Cerebral infarction due to embolism of right carotid artery
	I63.132	Cerebral infarction due to embolism of left carotid artery
	I63.139	Cerebral infarction due to embolism of unspecified carotid artery

KEY DOCUMENTATION WORDING IS BOLDED
When diagnosis is undefined use terms such as "suspected, presumed, likely, due to, or manifested by…"
Please always Document **Acuity…. Do not write vs., either or other ambiguous terms**

CHF DIASTOLIC **CHF SYSTOLIC**	**Acute** (1st event), Acute on chronic (subsequent events) , **Chronic** (maintained on combo drugs, ie: BB, diuretics, ACE, ARB's, nitrates). Can combine systolic and diastolic Document clinical findings (clinical exam, CXR, fluid status) and treatment (IV lasix)	***DIASTOLIC*** Evidence of diastolic dysfunction on ECHO, normal systolic function with EF > 50% during heart failure event, Concentric Left Ventricular hypertrophy + abnormal diastolic filling ***SYSTOLIC*** EF < 40-50%, LV dilation and low CO
DIABETES	Insulin or Non-Insulin Dependent, Type I, Type II **Uncontrolled DM (HgBA1C ≥ 8)**	Document and link any nephropathy, neuropathy, **ULCERS** etc "secondary to" diabetes
ANEMIA	**Anemia 2/2** Acute Blood Loss **Anemia 2/2** Chronic Blood Loss **Anemia 2/2** Acute on Chronic Blood Loss **Anemia 2/2** Chronic Disease (e.g. CKD, malignancy, etc.)	If blood loss is due to surgery, document: **Postoperative Acute Blood Loss Anemia**. ****This will NOT code to a complication**. If unable to confirm a blood loss anemia, document **"precipitous drop in hematocrit"**
MALNUTRITION	**Protein Calorie Malnutrition**: Specify: **Mild**: BMI<18.5 **Moderate**: BMI <17 **Severe**: BMI<16, or unintended Weight loss >5% of body weight in one month, >10% in 6 months, or >20% in one year **BMI >40=MORBID OBESITY**	(see LAB table below) Key terms: Muscle wasting, loss of mass, supplemental nutrition, temporal wasting. *Patient may have malnutrition despite BMI
CHRONIC KIDNEY	Document ESRD and if patient requires Hemodialysis **DO NOT** document Chronic renal insufficiency A rise in serum CR of 0.3mg/dL, or a 50% increase of CR over 48 hrs, or u/o < 0.5ml/kg x 6 hrs	(see Stage table below)
	Chronic Respiratory Failure: Home 02, Chronic Hypoxemia, Hypercapnea, metabolic acidosis, deconditioned, chronic steroids **Acute Hypercapnic or Hypoxic Respiratory Failure**: High oxygen demand (High Flow O2, BiPAP, or MV) pO2< 60, Pox < or =88% on room air, PCO2 >50 or 10 above baseline, Hypoxemia, Hypercapnea, tachypnea **Acute Respiratory Distress**: does require some intervention (min O2, nebs, etc.) **Respiratory Arrest**: ICU, Intubation, MV	A patient does not need to be intubated and does not need Abg's to document acute respiratory failure. Provide reason for intubation and avoid using "Intubation for airway protection."

LAB	Normal	Mild	Mod	Severe
Albumin	3.5-5	< 3	≤ 2.5	< 2.0
Pre-albumin	16-30	10-15	5-10	< 5

Stage	Description	eGFR
1	Kidney damage with normal or ↑ GFR	≥ 90
2	Kidney damage with mild ↓ GFR	60 - 89
3	Moderate ↓ GFR	30 - 59
4	Severe ↓ GFR	15 - 29
5	Kidney Failure	< 15 (or dialysis)

ANEMIA	Anemia 2/2 Acute Blood Loss Anemia 2/2 Chronic Blood Loss Anemia 2/2 Acute on Chronic Blood Loss Anemia 2/2 Chronic Disease (e.g. CKD, malignancy, etc.)	If blood loss is due to surgery, document: Postoperative Acute Blood Loss Anemia. **This will NOT code to a complication. If unable to confirm a blood loss anemia, document "precipitous drop in hematocrit"

Quality=Revenue

- Documentation is imperative
  - Reimbursement
  - Quality metrics:

Hospital Inpatient Quality Report (IQR) and Hospital Compare

2016 Condition-Specific Measure Updates and Specifications ... 30-Day Risk-Standardized Readmission Measures

30-Day Re-Admissions

2017 Deficit ... al Ac... Update Summary

HAC

2016 Measure Update... ...fications ... Standardized Payment Measures

Episode of Care

Risk-Adjustment Variable

The measures adjust for **case mix differences** among hospitals based on the clinical status of the patient at the time of the index admission. Accordingly, only ... nation about **the patient at that time or in the 12 m... ...s that arise during the course of the hospitalization** ... adjustment.

CMI: Case Mix Index

2016 Measure Updates: AMI, COPD, HF, Pneumonia, Stroke Readmission

Quality and Revenue…and the unknown!

Table 1. Hospital VBP Domains and Relative Weights for Fiscal Year (FY) 2018 and Subsequent Years

	Weight
Safety	25%
Clinical Care	25%
Efficiency and Cost Reductio	25%
Patient and Caregiver-Centered Experience of Care/Care Coordination*	25%

2% Withhold

Hospital-Specific Report User Guide

Hospital Read… Program

F…

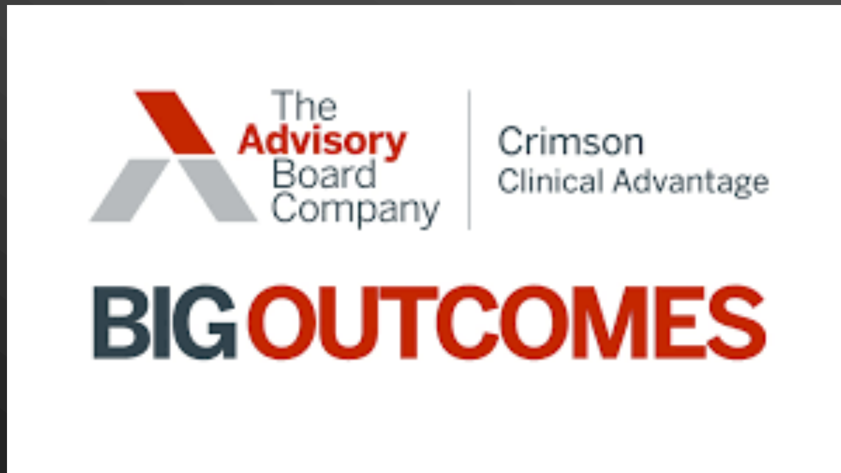
Published June 201

3% Penalty

Deficit Reduction Act … Condition (DRA HAC)

1% Penalty

Quality and Revenue…and the unknown!



Vascular Isn't On the List…YET

Table 2. Highest Rates of Rehospitalization and Most Frequent Reasons for Rehospitalization,

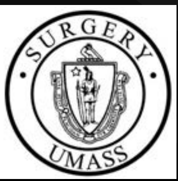
Condition at Index Discharge	30-Day Rehospitalization Rate	Proportion of All Rehospitalizations
Surgical		
All	15.6	22.4
Cardiac stent placement	14.5	1.6
Major hip or knee surgery	9.9	1.5
Other vascular surgery	23.9	1.4
Major bowel surgery	16.6	1.0
Other hip or femur surgery	17.9	0.8

Jencks, SF et al. NEJM 2009

Conclusion

- Physician Documentation is crucial to
  - Division Service Line
  - Medical Center Revenue
  - Quality Metrics
  - Physician Profiling
- Complex Process can be simplified
- Moving Target!

Thank You.



How Will this Affect ME?

	2013						2014					
	Cases	OR Minutes	Case Mix	Revenue	Direct Cost	Contribution Margin	Cases	OR Minutes	Case Mix	Revenue	Direct Cost	Contribution Margin
AIELLO, FRANCESCO	**10**	**2,175**	**3.19**	**317,923**	**212,707**	**105,216**						
	39	9,660	3.48	1,335,459	822,678	512,781						
	18	5,055	3.62	668,457	421,466	246,991						
	8	2,280	3.91	405,123	220,040	185,083						
	17	5,145	3.87	656,974	473,752	183,222						
	17	4,605	3.87	593,734	507,818	85,916						
Grand Total	**109**	**28,920**	**3.63**	**3,977,670**	**2,658,462**	**1,319,208**						

UMASS

Patient Classification

Criteria	Inpatient	Observation	SDC with Extended Recovery
Most Payers	A patient requiring inpatient hospital intensity of services. Often, payors use Interqual criteria, which is based on the patient's documented severity of illness, comorbidities, complications and treatment	Assessment, short-term treatment, reassessment, and stabilization before decision to admit to Inpatient or discharge (usually <48 hours)	Outpatient procedure with an planned overnight hospitalization.
Special Medicare Rule	At the time of admission, MD expects medically necessary hospital care to cross **2 midnights**	Medically necessary Hospital care is not expected to cross 2 midnights	The procedure can not be on the CMS Inpatient only list (1)
Physician order	Required: Document "Admit to Inpatient" in medical record (***do not write*** "Admit to Floor A or Admit to Dr Smith")	Required: Document "Place in Observation" in medical record	Required: Document "SDC with Ext Rec"

(1) There are certain procedures that Medicare will only pay for if they are done on an inpatient basis. Your Case Manager has access to this list, and can assist you.

IF YOU HAVE ANY QUESTIONS, SEE YOUR CASE MANAGER FOR HELP

UMASS