Coding for Care: Using Data Analytics for Risk Adjustment

March 2, 2016

Clive Fields, MD, President, Village Family Practice
Conflict of Interest

Clive Fields, MD, has no real or apparent conflicts of interest to report.
Agenda

• Learning Objectives
• STEPS Benefits
• Why Does Risk Adjustment Matter?
• Risk Adjustment Challenges
• Strategies and Tools for Managing Patient Risk
• Village Family Practice: A Case Study
• Q&A
Learning Objectives

• Recognize the key challenges facing healthcare providers in risk adjustment

• Identify strategies for leveraging tools such as structured and unstructured data analytics to effectively improve risk adjustment, including more accurately capturing diagnosis codes and optimizing reimbursements

• Apply strategies learned in this session to attendees’ own organizations
Realizing the Value of Health IT: STEPS

SATISFACTION
- Improve coder/provider coding efficiency
- Reduce follow-up patient visits

TREATMENT/CLINICAL
- Identify missed high-risk conditions and optimize care planning

ELECTRONIC SECURE DATA
- Extract insights from unstructured patient data
- Improve Claims, RAPS and EDS submission accuracy

PATIENT ENGAGEMENT & POPULATION MANAGEMENT
- Stratify high-risk patients to optimize outreach and care gaps closure

SAVINGS
- Optimize reimbursement
- Improve coding efficiency
- Reduce follow-up visit costs
Why Does Risk Adjustment Matter?

- Proactively identify high-risk patients
- More accurately predict costs and determine reimbursement level
- Optimize treatment planning and care delivery

©HIMSS 2016
Why Does Risk Adjustment Matter?

• Growing adoption in value-based contracts: MA → MSSP ACO → Commercial → NextGen ACO

• Increasingly critical for providers and payers

• Exponentially more complex (ICD-10, evolving models, CMS guidelines)
Medicare Advantage Enrollment Up 180% Since 2005

- Thirty percent of Medicare population was enrolled in a Medicare Advantage plan in 2014
- Medicare enrollment continues to grow despite the average number of plans available to enrollees nationwide declined from 48 plans in 2009 to 18 plans in 2014

Total Medicare Private Health Plan Enrollment, 1999-2014

Source: CMS
# The Challenges of Risk Adjustment

<table>
<thead>
<tr>
<th>Time-consuming, inefficient and error-prone</th>
<th>Retrospective rather than prospective</th>
<th>Significant impact on reimbursement and patient care delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overlooked clinical factors in unstructured narratives and patient histories</td>
<td>Inferior analytics technology, leading to a significant number of missed or inaccurate codes</td>
<td>Not integrated at the point of care</td>
</tr>
</tbody>
</table>
More Than One-Third of Diabetes Cases are Miscoded

38% of diagnosed diabetic population did not have a diabetes diagnosis in their medical records and were only identified by the presence of diabetic medications.

- Related medications
- Symptoms and clinical findings
- Lab values and diagnostic procedures
- Risk factors and complications
- Other factors

Source: Canadian Medical Association Journal
Managing Patient Risk

• Providers must take steps to better manage patient risk for improved outcomes and ensure reimbursements are accurately realized

• Explore various tools and technologies that will help you achieve this in the easiest and most effective way

• Use data analytics as a strategy for extracting important diagnosis information buried in unstructured patient data or inaccessible

• Goal is improved care planning and patient outcomes—code for care vs. code for dollars
Village Family Practice: A Case Study

- Multi-specialty practice
- 25+ physicians
- NextGen EMR

Statistics
- Risk-based contracts: 90%
- Number of Medicare Procedures: 20,752
- Medicare Charges: $1,577,775
- Medicare Allowed Amount: $1,050,514
- Medicare Payments: $711,436
VFP’s Risk Adjustment Challenges

- Heavy dependence on claims data from payers
- Challenges integrating unstructured patient data (e.g., scanned consult notes and reports) into coding process
- Primarily retrospective approach and limited usage at the point of care to improve care planning
- Costly approach requiring time-consuming manual chart audits and a year-end push to reschedule patients to close coding gaps
Leveraging Data Analytics to Tackle Risk Adjustment

Implemented advanced data analytics tools to:

• Automate coding gaps detection for more accurate coding and risk scoring

• Conduct prospective and retrospective coding optimization

• Analyze projected coding patterns and provider documentation gaps

• Integrate into the physician workflow at the point of care

• Improve care planning and patient outcomes
Analyzing Unstructured Patient Data

**Complication**
Peripheral Neuropathy

**Medication**
- Novolog Mix 70-30
- Flexpen

**Treatment Procedure**
Insulin Injection

**Lab Result**
HbA1c 7.3

**Medications**
- Metformin 1,000 mg tablet
- Actos 30 mg tablet

**Risk Factor**
BMI 38.86

**Diagnostic Procedure**
Hemoglobin A1c

**Specialist**
Endocrinologist

**Patient Plan**

**Medication**
Onglyza

**Lab Results**

**Time of call:** 3:55 PM
**Call taken by:** Joe Black
**Contact type:** Incoming call
**Call type:** Follow-up to request

**Reminder**
- Reminder: Type
- Reminder: Date
- Reminder: Time
- Reminder: Employee
- Reminder: Department
- Reminder: Notes

**Finalized by:** Victor X. Morris MD 07/22/2014 03:56 PM

**Chart Notes**

**Date of Birth:** 01/07/1929
**Date:** 08/11/2014
**Visit Type:** Office Visit
**Document Type:** Chart Note

This 85 year old female presents for pttr. Weakness, Diarrhea and back pain. Please note the following:

1. Weakness: Weakness started 6 months ago. The problem is stable. It occurs periodically. Additional information cannot be found in the chart.

**History of Present Illness:**

1. **pttr:**
   - Excellent today
2. **Weakness:**
   - Started 6 months ago
3. **Current:**
   - We have no record of this today.
4. **Past:**
   - We have no record of this today.

**Chart Notes**

**Date of Birth:** 01/07/1929
**Date:** 08/11/2014
**Visit Type:** Office Visit
**Document Type:** Chart Note

This 85 year old female presents for pttr. Weakness, Diarrhea and back pain. Please note the following:

1. **pttr:**
   - Excellent today
2. **Weakness:**
   - Started 6 months ago. The problem is stable. It occurs periodically. Additional information cannot be found in the chart.

**Complication**
Peripheral Neuropathy

**Medication**
- Novolog Mix 70-30
- Flexpen

**Treatment Procedure**
Insulin Injection

**Lab Result**
HbA1c 7.3

**Medications**
- Metformin 1,000 mg tablet
- Actos 30 mg tablet

**Risk Factor**
BMI 38.86

**Diagnostic Procedure**
Hemoglobin A1c

**Specialist**
Endocrinologist

**Patient Plan**

**Medication**
Onglyza
## Optimizing CMS Payments

### Scenario 1: What *Was* Coded

<table>
<thead>
<tr>
<th>Condition</th>
<th>ICD-10 Code</th>
<th>HCC Risk Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diabetes Mellitus with diabetic nephropathy</td>
<td>E11.21</td>
<td>0.368</td>
</tr>
<tr>
<td>Peripheral Vascular Disease, unspecified</td>
<td>I73.9</td>
<td>0.299</td>
</tr>
<tr>
<td>Chronic Obstructive Pulmonary Disease, unspecified</td>
<td>J44.9</td>
<td>0.346</td>
</tr>
</tbody>
</table>

**RAF Score: 1.013**  
**Total Payment: $10,130**

### Scenario 2: What *Should* Have Been Coded

<table>
<thead>
<tr>
<th>Condition</th>
<th>ICD-10 Code</th>
<th>HCC Risk Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diabetes Mellitus with diabetic nephropathy</td>
<td>E11.21</td>
<td>0.368</td>
</tr>
<tr>
<td>Peripheral Vascular Disease, unspecified</td>
<td>I73.9</td>
<td>0.299</td>
</tr>
<tr>
<td>Chronic Obstructive Pulmonary Disease, unspecified</td>
<td>J44.9</td>
<td>0.346</td>
</tr>
<tr>
<td>Sick Sinus Syndrome</td>
<td>I49.5</td>
<td>0.295</td>
</tr>
<tr>
<td>Chronic Viral Hepatitis C</td>
<td>B18.2</td>
<td>0.251</td>
</tr>
<tr>
<td>BMI 40.0-44.9, adult</td>
<td>Z68.41</td>
<td>0.365</td>
</tr>
</tbody>
</table>

**RAF Score: 1.924**  
**Total Payment: $19,240**

*Source: Data based on a Talix customer.*
Results

- Identified missed coding opportunities in 75-80% of patient population
- Improved RAF scores by 16%
- Increased cost savings and ROI
- Improved overall patient care
Realizing the Value of Health IT: STEPS

**SATISFACTION**
- Improve coder/provider coding efficiency
- Reduce follow-up patient visits

**TREATMENT/CLINICAL**
- Identify missed high-risk conditions and optimize care planning

**ELECTRONIC SECURE DATA**
- Extract insights from unstructured patient data
- Improve Claims, RAPS and EDS submission accuracy

**PATIENT ENGAGEMENT & POPULATION MANAGEMENT**
- Stratify high-risk patients to optimize outreach and care gaps closure

**SAVINGS**
- Optimize reimbursement
- Improve coding efficiency
- Reduce follow-up visit costs
Questions

Clive Fields, MD
cfields@villagefamilypractice.com