Using Real-Time Monitors to Focus on Risks Identified by OIG, CMS, and Other Regulators

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Integrity and Compliance

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Agenda / Overview

• Overview of CHE Trinity Health
• Current Regulatory Environment
• Audit / Monitoring Approach
• Benchmarking / Data Analysis
• Tools of the Trade
• Developing Real-Time Monitors
• Next Steps
• Questions and Answers
CHE Trinity Health

- Geographic Reach: 21 States
- Hospitals: 82, Continuing Care Facilities and Home Health and Hospice Programs: 89
- Revenue: $13.3 billion
- Community Benefit Ministry: $938 million
- Employees: 87,000
- Physicians: 4,100 employed

Continuum of Care Services
- Senior Care: 89 total long term care, assisted, independent living and affordable housing communities
- Home Health/Hospice: 2,750,000 visits

Who’s Who in Health Care Enforcement

- OIG
- MACs
- DOJ
- ZPICs
- RACs
- MICs
TARGET

• HCCA Annual Compliance Institute, April 22, 2013, Daniel Levinson (Inspector General) plans to continue auditing hospitals and **expanding** those types of reviews to **Medicare Part B**.

• Unnecessary surgeries might account for 10% to 20% of all operations in some specialties, including a wide range of cardiac procedures – stents, angioplasty, pacemaker implants, as well as many spinal surgeries, and knee replacements – USA Today June, 2013.

• The most aggressive billing – by just 1,700 of the more than 440,000 doctors in the country – cost Medicare as much as $100 million in 2010 alone, the largest share of those doctors specialized in family practice, internal medicine and ER – New York Times, September, 2012.

• Etc. etc. etc. ..........

Audit/Monitoring Approach

• Trinity Health is re-evaluating our approach to auditing and monitoring in consideration of:
  • Impact of proposed 60-day repayment rule and 10-year look back period
  • Challenges in handling of voluntary repayments with various CMS contractors
  • Increasing volume of audits performed by CMS contractors (RACs, MACs, ZPICs, MICs, QIO and CERT)
Audit/Monitoring Approach

- Develop additional continuous monitoring, predictive modeling and data analytic capabilities
- Goal to mirror CMS predictive modeling objective
- Leverage data available in internal systems
- Use available industry data (e.g. CMS, MGMA) for benchmarking
- “Real Time” focus on risks identified by OIG, CMS and other regulators
- Limit performance of retrospective claim audits

Audit/Monitoring Approach

- Resources will be needed to increasingly respond to CMS audit contractor activity
- Action plans, follow-up and monitoring of CMS contractor audit issues
DATA

“The process of discovering meaningful new relationships, patterns and trends by sifting through data using pattern recognition technologies as well as statistical and mathematical techniques”  
source: The Gartner Group

“Data Mining, noun: “Torturing data until it confesses … and if you torture it enough, it will confess to anything”  
source: Jeff Jonas, IBM
Benchmarking / Data Analysis

Use of Benchmark Data
- Analyze data
- Establish goals/targets
- Prioritize for auditing and monitoring
- Make your case for additional resources
- Develop audit plans
- Identify Outliers / Target risk areas
- Develop compliance scoring system
- Acquisition Due Diligence

Tools of the Trade
Data Resources

CMS:
- Raw data
- Requires intermediate/advanced database skills to manipulate
- Cost - $250
  - Left hand side of webpage click “Physician/Supplier Procedure Summary Master File”
  - Download order form zip file, open zip file containing an Excel spreadsheet titled “PUF_REQUEST_WORKSHEET”
  - Under the PUF REQUEST tab starting on 54 “PSPS Data Request” enter your start year and end year
  - Follow payment and shipping instructions
  - Approximately two weeks to receive file

Data Resources

MGMA:
- Organized data on CD
- Beginning / Intermediate database skills
- Cost - $695.00 member $1,120.00 non-member
  - Primary use for benchmarking is wRVU and visits per day data
YOU NEED A DATA GUY!!!!!!!!!!!!!!!!!!!

- Basic comprehension of stats
- Structured Query Language (SQL) (or other database experience)
- Programming experience
- Industry knowledge is a huge plus but not necessary

Standard Deviation – OIG Tool of Choice

Standard Deviation shows how much variation or “dispersion” exists from the average (mean, expected value).
Disclaimer is very important:

- The analyses are for benchmarking purposes only and to assist in prioritizing areas for further review by hospital management.
- Coding and billing is dependent upon the services rendered by the hospital as determined to be medically necessary and appropriate based on the patient’s presenting medical condition.
- No conclusions regarding the accuracy of coding and billing, nor compliance with government and third-party payer rules and regulations can be made without further review of the provider’s underlying medical records documentation.
Stages of Data Mining

- Data gathering
- Cleaning
- Feature extraction
- Pattern extraction and discovery
- Visualization of the data
- Evaluation of results

Physician Benchmarking / Data Analysis

Develop Physician Snapshot that includes the following:
- E/M level coding distribution peer analysis
- Visit per day analysis
- Modifier use
- Work RVU analysis
- Revenue Analysis
EHR – Medically Necessary

E/M Distribution Analysis

<table>
<thead>
<tr>
<th>CPT Code Distribution</th>
<th>99211</th>
<th>99212</th>
<th>99213</th>
<th>99214</th>
<th>99215</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provider</td>
<td>1.2</td>
<td>21.4</td>
<td>59.4</td>
<td>18.0</td>
<td></td>
</tr>
<tr>
<td>Carrier</td>
<td>6.9</td>
<td>3.7</td>
<td>41.1</td>
<td>43.9</td>
<td>4.5</td>
</tr>
</tbody>
</table>

Estimated Number of Standard Deviations

<table>
<thead>
<tr>
<th>Number of Standard Deviations from Carrier mean</th>
<th>SDs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.72</td>
</tr>
</tbody>
</table>
Visit Per Day Analysis

Use MGMA data

Develop an internal average per day analysis:

- Physician paid claims
- CPT codes, volume, date of service
- MGMA Visit Data 70th, 80th, and 90th
- Outlier?
- How many visits per day?

<table>
<thead>
<tr>
<th>CPT Code</th>
<th>Typical Time for Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>99212</td>
<td>10 min</td>
</tr>
<tr>
<td>99213</td>
<td>15 min</td>
</tr>
<tr>
<td>99214</td>
<td>25 min</td>
</tr>
<tr>
<td>99215</td>
<td>40 min</td>
</tr>
</tbody>
</table>

Source: AAPC 6/09

### Table

<table>
<thead>
<tr>
<th>Criteria Information</th>
<th>MGMA Percentiles</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>70th</td>
</tr>
<tr>
<td>Total Days Worked</td>
<td>256</td>
</tr>
<tr>
<td>Total Encounters</td>
<td>6764</td>
</tr>
<tr>
<td>Avg Encounters / Day</td>
<td>26</td>
</tr>
<tr>
<td>Total Work RVUs</td>
<td>9439</td>
</tr>
</tbody>
</table>

### Graph

#### (A)

<table>
<thead>
<tr>
<th>Total (240 days)</th>
<th>Total (240 days)</th>
<th>(A-B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visits</td>
<td>Average 99214 &amp;</td>
<td>Average MGMA</td>
</tr>
<tr>
<td>All Levels</td>
<td>99215 Visits</td>
<td>90th % Difference</td>
</tr>
<tr>
<td>Per Day</td>
<td>49</td>
<td>25</td>
</tr>
<tr>
<td>Visits</td>
<td>9,724</td>
<td>24</td>
</tr>
</tbody>
</table>

#### Graph

Physician Group Practice Analysis
Family Practice - Dr. High Volume

Average Visits Per Day

<table>
<thead>
<tr>
<th>MGMA 90th %</th>
<th>Avg. Dr. High Volume</th>
<th>Avg. Dr. High Volume</th>
<th>Avg. Practice All Levels</th>
<th>Avg. Practice 99214</th>
<th>Avg. Practice 99215</th>
</tr>
</thead>
<tbody>
<tr>
<td>24</td>
<td>49</td>
<td>49</td>
<td>25</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Average Visits Per Day
Modifier Use

- Modifier -25 appended to an E/M service, identifies the service as significant and separately identifiable from a procedure or other service provided on the same date of the service.
- Modifier -59 under certain circumstances, a physician may need to indicate that a procedure or service was distinct or independent from other services performed on the same day.
- Use CMS data
- Develop a utilization table and compare provider use with peer group

Sample: Modifier -59 Report
Highly Productive Physicians

Special care must be taken with “highly productive” physicians
  - Example: Physicians with annual wRVUs > 90th% of industry benchmarks
  - Specialties such as cardiology, neurosurgery, orthopedics

Evaluate need for additional audit procedures to evaluate
  - Medical appropriateness of services
  - Adherence to industry professional standards

St. Joseph Medical Center – Towson, Md

  - $22 Million settlement to the DOJ, alleged violations of Anti-Kickback Act and Stark Law
  - Cardiologist Mark Midei – unnecessary cardiac stenting
    - According to press, many patients with less than 50% blockage and some as low as 10% blockage
  - Hospital stripped physician of privileges
  - Accused of 585 unnecessary stent procedures in his last two years of practice
  - Hospital sent letters to 369 patients and more may be forthcoming
Total Work RVUs

MGMA – Physician Compensation and Production Survey: 2013 Report Based on 2012 Data:
- Physician Work RVUs by specialty
- 25\textsuperscript{th}, Median, 75\textsuperscript{th} and 90\textsuperscript{th} percentile data

Compare physician’s actual Work RVUs vs. MGMA data

<table>
<thead>
<tr>
<th>Name</th>
<th>Specialty</th>
<th>Total wRVUs</th>
<th>75\textsuperscript{th} Physician wRVU</th>
<th>90\textsuperscript{th} Physician wRVU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Howard</td>
<td>Cardiology</td>
<td>13,596</td>
<td>14,104</td>
<td>20,470</td>
</tr>
<tr>
<td>Dr. Fine</td>
<td>Cardiology</td>
<td>31,322</td>
<td>14,104</td>
<td>20,470</td>
</tr>
<tr>
<td>Dr. Holiday</td>
<td>Cardiology</td>
<td>20,589</td>
<td>14,104</td>
<td>20,470</td>
</tr>
</tbody>
</table>

Charges by Diagnostic Services

Comparison of Provider diagnostic services vs. CMS data
- Review diagnostic services by CPT section (e.g. Radiology, Laboratory, and Medicine)
- Compare the CPT sections vs. CMS data by CPT section
- Identify outliers

<table>
<thead>
<tr>
<th>Section</th>
<th>Charges</th>
<th>Provider</th>
<th>CMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radiology: (70000-79999)</td>
<td>$253,735</td>
<td>25.2%</td>
<td>18.8%</td>
</tr>
<tr>
<td>Path/Lab: (80000-89999)</td>
<td>$53,249</td>
<td>0.3%</td>
<td>15.1%</td>
</tr>
<tr>
<td>Medicine: (90000-99999)*</td>
<td>$131,188</td>
<td>13.0%</td>
<td>23.4%</td>
</tr>
</tbody>
</table>

*Not including EM codes
Provider Scorecard Assessment

The purpose is to see at-a-glance how an individual provider, or practice is progressing with their E/M coding and documentation. This tool offers several benefits including:

- Specific areas of coding and documentation that need attention
- Assistance with knowing where to focus limited audit and coding resources
- Method for scheduling future provider audits and coding education

### Practice Scorecard

<table>
<thead>
<tr>
<th>Provider</th>
<th>Net Reimbursement Results</th>
<th>E/M Bell Curve Analysis</th>
<th>Overall Documentation Quality</th>
<th>Scoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Fine</td>
<td>6</td>
<td>1</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Dr. Howard</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Dr. Welby</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Dr. Howser</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Practice</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>6</td>
</tr>
</tbody>
</table>

**SCORING**

- **Outstanding**: 11-12 points
- **Routine**: 9-10 points
- **Focused**: 8-9 points
- **Routine Follow-up**: Internal follow-up audit
- **Focused**: Internal follow-up audit in 6-9 months
- **100% review/ACP**

**CATEGORY I: Net Reimbursement Results**
- 6 points = 90% or > accuracy
- 4 points = 80% - 89% accuracy
- 2 points = 70% - 79% accuracy
- 0 points = < 60% accuracy

**CATEGORY II: E/M Bell Curve Analysis**
- 3 points = < 15% deviation
- 2 points = 16% - 20% deviation
- 1 point = 20% - 44% deviation
- 0 points = > 45% deviation

**CATEGORY III: Overall Documentation Quality**
- 3 points = 90% or > accuracy
- 2 points = 80% - 89% accuracy
- 1 point = 70% - 79% accuracy
- 0 points = < 60% accuracy

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### Spike in Data........Next Steps

- Reach out
- Ask questions; New hire, software, new service line, operational issue?
- Do a deeper data dive
- Pull records – validate
- Sampling?
- Potential payback?
- Follow-up data analysis
Current Issues / Challenges

If All Else Fails
Questions/Discussion

Thank-You for Your Attendance and Participation!
Follow-up questions can be directed to:

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