Denied Claim Avoidance

Covenant Health Systems is able to utilize the VortexT Analytics™ platform to proactively identify accounts that do not include the appropriate diagnosis codes to ensure payment (based on historic, paid, comparable claims).

The Use Case

At Covenant Health Systems, claims were being denied for some, but not all, patients receiving octreotide injections for Zollinger-Ellison Syndrome (a chronic condition). The reason given for the denials was lack of medical necessity. With each denial resulting in up to $20,000 in denied charges, the cumulative revenue loss was significant.

To stem this loss, Covenant endeavored to compare and contrast the unpaid and paid claims in order to determine:

> How paid claims had been coded, billed, and appealed
> How to prevent denials from recurring

Identifying all relative instances of Zollinger-Ellison Syndrome and determining an appropriate course of action was challenging for multiple reasons:

> Inability to search unstructured data (transcripts) for relevant diagnosis, necessitating a manual review of records
> Using inconsistent methods for identifying cases (such as identifying by diagnosis in some cases and HCPCS drug administration code in other cases)
> No easy method to compare paid and unpaid claim details

All of these challenges resulted in the need to access multiple electronic systems, as well as physician records, to obtain the needed information.

CLIENT OVERVIEW

Covenant Health

KNOXVILLE, TN USA

> Nine acute-care hospitals
> Outpatient and specialty services
> 1500 affiliated physicians
> Not-for-profit

VortexT Analytics™ gives Covenant Health the ability to...

✓ **QUERY ALL DENIED AND PAID CLAIMS FOR A PARTICULAR HCPCS CODE**

✓ **VIEW STRUCTURED AND UNSTRUCTURED DATA RELATED TO THE CLAIMS FOR COMPARISON**

✓ **CORRECT UNPAID CLAIMS AND PREVENT FUTURE DENIALS, RESULTING IN SIGNIFICANT REVENUE GAINS**

✓ **PROACTIVELY MONITOR ACCOUNTS TO ENSURE APPROPRIATE PAYMENT**

Resulting in revenue gains and improved clinical and financial outcomes.

VortexT
ANALYTICS ™

The VortexT Analytics™ Solution

Using the VortexT® platform, Covenant performed a search not only for the appropriate diagnosis but also for the HCPCS code (J2353) associated with octreotide injections treatments. After reviewing the returned accounts, Covenant compared the ICD-10 codes and payers of the paid accounts with those of the denied accounts to determine whether differences in coding and/or payer local coverage determinations were the cause of the different claims outcomes.

With the knowledge gained from the comparison study and VortexT® platform alert features, Covenant can now receive an alert from the VortexT® system whenever a Zollinger-Ellison Syndrome case that does not include the appropriate diagnosis codes is encountered allowing Covenant to proactively address each case with no manual monitoring or searching required.

The Return On Investment (ROI)

Expanding the account review program to look at other, more costly denials will result in even greater cost savings and ROI for Covenant. Reporting on denied claims associated with outpatient HCPCS drug administration codes over the last 12 months revealed **$1,200,000** in reimbursements that could be realized using this methodology within the VortexT® platform.

The bubble chart in Figure 1 shows the representation of the projected savings based on historical data (CY 2017), and highest volume/highest dollar denials.

VortexT's® Payer Scorecard will also allow Covenant to see which principal diagnoses are associated with the most denied accounts, allowing prioritization of efforts to return the most ROI immediately.

Figure 1

HCPCS codes with the highest potential reimbursement typically have the highest average payment and the most denials.
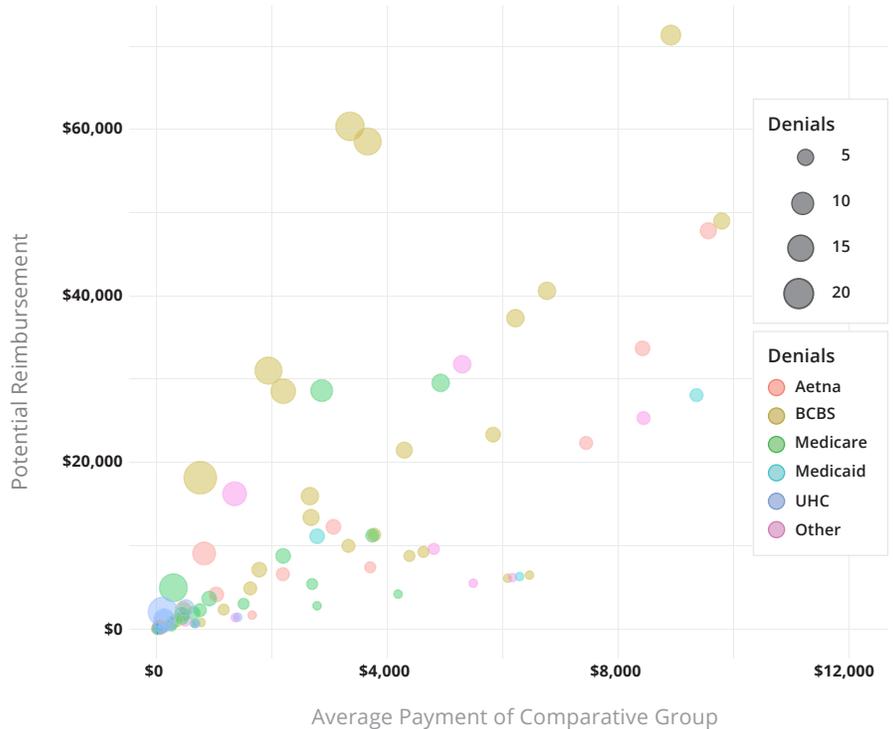
Each dot is the unique combination of HCPCS drug administration codes, a payer, and a primary diagnosis. There are 96 comparative groups.

> While I am relatively new to using the VortexT® platform in my day-to-day duties, I was very pleased to be able to identify the paid and unpaid claims with ease and see the detail on each to determine how to correctly code the cases in order to ensure prompt payment.
>
> -- Sherri Ernst, Director of Revenue Integrity & Utilization Management

About VortexT Analytics™

VortexT Analytics™ applies advanced technologies to reveal meaningful relationships in your healthcare data, making it easier than ever to recover lost revenue and improve clinical and financial outcomes.

Visit us at www.vortextanalytics.com or call us at 877.775.6532