Managing Clinical Denials — The Role of MIDAS+ in Improving the Process

This session will demonstrate by example how the MIDAS+ system can be used to develop and manage clinical denials and to report data to senior management for decision support.

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Post-Symposium Availability

Shortly after the conclusion of the Symposium, most General Session and Breakout Session presentations will be available for licensed MIDAS+ Clients to view and download from our Web site: www.midasplus.com. The presentations will be available in read-only format. For information about obtaining the native Microsoft PowerPoint presentations, please contact the presenter(s) directly.

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Managing Clinical Denials
The Role of MIDAS+™ in Improving the Process

MIDAS+ 15th Annual User Symposium
May 22 - 24, 2006
Tucson, Arizona

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What is a Denial?

A denial is a statement issued by a payer source* notifying a provider that there will be non-payment for some or all services rendered to a patient. It is based on the payer’s belief that the provider failed to meet contractual or clinical guidelines established by the payer and agreed to by the provider.

*managed care, commercial insurance, Medicaid, Medicare, etc.
Goals of the Program

Revenue Recovery

Decision Support
(Process Improvement)

Goals of the Program
(Revenue Recovery)

- Identify causes
- Identify clinical denials
- Quantify Denials
- Evaluate Denials for possibility of appeal
- Appeal Denials
- Monitor Process (Department QI)
Goals of the Program (Decision Support)

- Analyze Data
- Report Data
- Graphic Presentation
- Senior Mgt. Decisions

(Change processes to decrease denials)

Cause and Effect Diagram - UM Denials
Denial Codes (Dictionary 123)

- D100  D-Adm denial-Inapprop LOC
- D110  D-Adm-Medicare Write off
- D200  D-No preauth; late notification;
- D300  D-Clin-No req in UM
- D310  D-Clin-Med Rec-No MR
- D320  D-Clin-Concur Req-No UM response
- D330  D-Clin-Retro Req-No UM Response
- D340  D-Clin-Denied despite UM response
- D350  D-Clin-PFS Appeal
- D360  D-Clin-Other issues/errors
- D400  D-Delay in treatment
- D410  D-Delay-testing
- D415  D-Delay-Testing-Results
- D420  D-Delay-cardiac cath
- D430  D-Delay-consult
- D440  D-Delay-Surgery/Procedure
- D450  D-Delay-Other
- D460  D-Delay-testing-CVA/TIA
- D500  D-IP as IP
- D600  D-Plcmnt-Other
- D610  D-Plcmnt-SAC, Hospice, LTC
- D620  D-Plcmnt-NH-LOC, bed issue
- D630  D-Plcmnt-Social Issues
- D640  D-Plcmnt-No Ins (Medicaid pend)
- D650  D-Plcmnt-Insurer precert pend
- D660  D-Social Work Delay
- D700  D-Med Nec (lack of SI/IS) no plcmt
- D800  D-MD-Doc-No Progress Notes
- D820  D-MD-Doc-Other Doc Deficiency
- D890  D-MD-Administrative-Not Doc
- D900  D-Secondary Insurer
- D950  D-Miscellaneous

Identifying Denials

- Current In-Patient
  - Call comes into office - denial entered in URC with URSE to CRC (UM Nurse)
  - URSE appears on CRC’s worklist
  - Denial appears on Denial Coordinator’s worklist
- CRC will follow up
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Current In-Patient UR Certification Entry

Current In-Patient – UR Certification Entry

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Current In-Patient – UR Support Entry

CRC Worklist
Identifying Denials (cont)

- Discharged Patient (Retro Denial)
  - Letter in office → Denial Coordinator
  - Coordinator enters into URAD
  - Assigns a Denial Code
  - Assigns to proper payor
  - Coordinator enters process info into User Defined fields

UR Avoidable Denied Entry

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UR Avoidable Denied User Defined Fields

UR Avoidable Denied User Defined Fields

UR Avoidable Denied - Appeal Tab

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**UR Avoidable Denied - Appeal History**

- Date: May 23, 2006
- Hospital: Washington Hospital Center

**UR Avoidable Denied - Appeal Response**

- Date: May 23, 2006
- Hospital: Washington Hospital Center

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Reporting - Module Selection
(preparing to analyze data)

Report Record Selection
SmarTrack Reporting

![SmarTrack Reporting Graph]

SmarTrack Graphs

![SmarTrack Graphs Graph]
Decision Support

Report/Graphing (Excel)

WHC Denials
Percentage of Medical Necessity
Days Denied by Insurer
FY02

Aetna 23%
Others 15%
Amerigroup 2%
Intracorp 4%
Cigna 5%
Medicare 6%
DCMedicaid 7%
MDMedicaid 10%
CareFirst BCBS 11%
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Report/Graphing (Excel)

WHC Denials
UM Internal Report
Denials by Reason FY 00 - FY 02

Report/Graphing

Surgical Services Days Denied by Reason
FY03-FY06 YTD
9/30/05

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Report/Graphing

WHC Denials
Department of Medicine
Physician Related*
(by Physician) 10 or More Days Lost
FY 02

Days Lost
0 10 20 30 40

Department of Medicine Denials
Due to Placement only
FY05 and FY06 YTD
9/30/05

Days Lost
0 50 100 150 200 250 300

*Note: Only Admission, OP as IP, Medical Necessity, and MD Administrative denials are included in these totals. Delays, placement, etc. are not counted as physician related.
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Report/Graphing

Medical Necessity Denials by unit
FY06 YTD (more than 10 days denied)
9/30/05

Report/Graphing

Medical Necessity Denials due to Delays only
FY03-FY06 YTD
9/30/05
Use the MIDAS+ Care Management System to:

- Develop a process to identify and appeal denials
- Recover lost revenue
- Make institutional process changes which will decrease denials
Thank You!