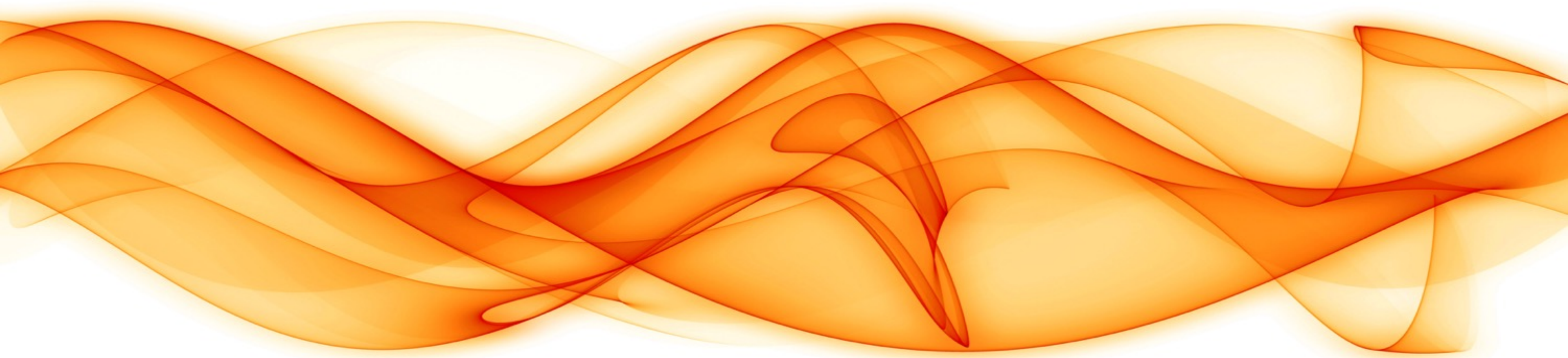
Outpatient CDI with HCC's

Kaitlyn Crowther, RHIA

CTHIMA September 17, 2017



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What is Risk Adjustment?

- A corrective tool used by actuaries to level the playing field regarding the reporting of patient outcomes, adjusting for the differences in risk among specific patients

- The process of adjusting expected volumes to account for the case mix of the facility or category being compared

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Risk Adjustment cont……

- CMS recognized a need to prospectively adjust for anticipated costs that vary across beneficiaries
  - Provide incentives to enroll high-cost individuals into managed care programs by ensuring health plans/ACOs have the resources needed to provide efficient and effective treatment

How? Develop a system to…

- Account for changes in severity & case mix over time
- Accurately set performance targets (quality & efficiency)
- Identifies patients for population health initiatives

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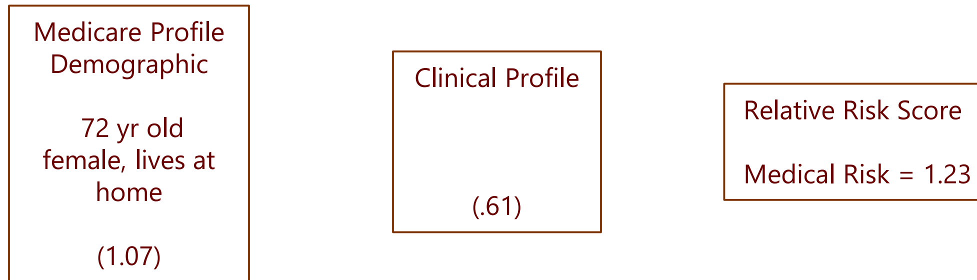
Example of Risk Adjustment Reimbursement to a MAP……

- Combines demographic and clinical information
  - Demographic info includes age, reason for Medicare, and community status
  - Clinical information represents health status
  - Patients who have ESRD (end stage renal disease) are assigned an additional factor
- Example of Payment to a Medicare Advantage Plan



Medicare advantage premium = $16
CMS per month/per member payment (demographic) = $208
CMS risk adjustment factor (DM with renal comps, CKD and CHF) = $785
Total Payment to MA plan per month = $992

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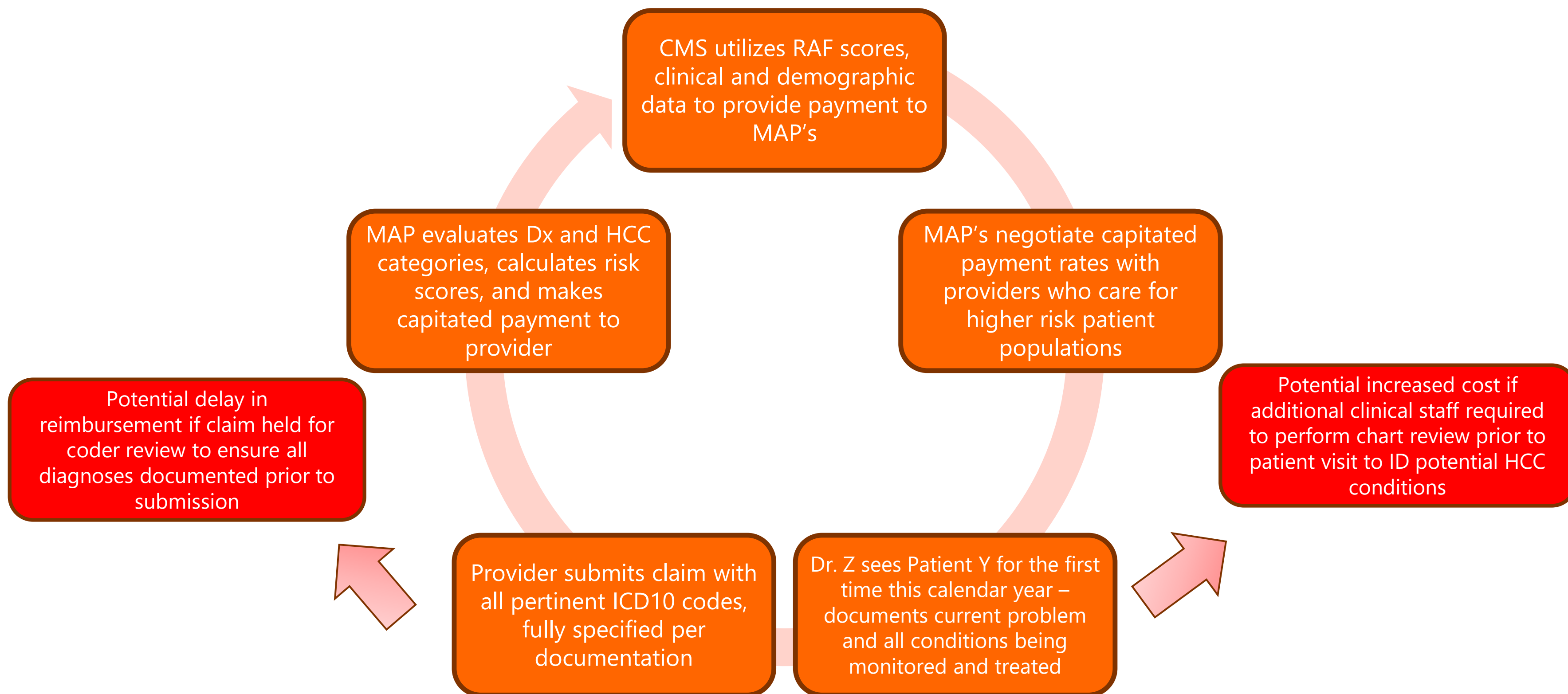
Life Cycle of Risk Adjustment



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What are HCCs?

- Chronic conditions documented in the medical record, identified by an ICD-10 code, that are associated with a "risk score"
  - Not every diagnosis qualifies as an HCC (71,486 ICD-10 codes, 8830 are HCC's)
  - Fully specified qualifying HCC diagnoses may carry higher risk weights than less specified diagnoses – i.e. diabetes vs diabetic nephropathy

- Developed by CMS to prospectively adjust for anticipated costs that vary across beneficiaries
  - Provides incentive to the Medicare Advantage Plans to enroll high-cost individuals by ensuring they have resources needed to provide efficient and effective treatment
  - Used by Medicare Advantage Plans and other commercial payers to identify the severity of risk-related conditions treated by providers participating in the plans
  - Payment to the provider is adjusted based on the risk severity of his patients

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What are HCCs?

- HCCs must be captured/re-captured every calendar year in order to be factored into that patient's annual risk score and payment
- While this is a large focus in the ambulatory setting for physician practices, the need for capturing chronic conditions qualifying as an HCC is important for inpatients as well
  - HCC conditions/diagnoses carry "risk factor" scores regardless of place of service
  - While not every HCC diagnosis is a CC or MCC affecting DRG assignment, "risk" is still measured in the inpatient setting, so inclusion of chronic conditions when applicable is important for hospital quality scores

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The Difference between MS-DRGs and HCCs

MS-DRGs

- Only 1 assigned per Inpatient discharge
- Sequencing is a critical component
- All principal diagnoses (ICD-10) map to a MS-DRG
- Procedures can impact assignment
- Code only from physician documentation with few exceptions
- Only applicable to Inpatient coding and reimbursement

CMS-HCCs

- More than 1 HCC can be assigned per encounter
- No sequencing involved
- Not all diagnoses (ICD-10) map to an HCC
- Procedures not included
- Can use various provider types' & specialties' documentation*
- Outpatient and Inpatient settings involved

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Condition Types/Diagnoses that map to CMS HCC's

- High-cost medical conditions (heart disease, current cancers, hip fractures)

  * Highest weighted diagnoses are HIV, sepsis, opportunistic infections & cancers

- Acute, chronic, status codes, etiology & manifestation

  * e.g. = Hip fracture, COPD, status amputation of great toe, diabetic neuropathy

- Common conditions, rare conditions, conditions that can be cured, non-curable, congenital and acquired

  – Must be current & impact the encounter in terms of requiring either monitoring, evaluation, assessment, or treatment (MEAT)

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HCCs in the Spotlight – Why the Buzz?

- Providers facing positive or negative payment incentives from Medicare beginning in January 2017
  - MACRA/MIPS instituted – will impact provider payments beginning in 2019
  - Focused heavily on documentation and diagnosis codes submitted on claims to Medicare

- Providers who are members of ACO's are at risk for negative reimbursement if "high-risk" conditions are not properly documented and reported

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HCCs in the Spotlight – Why the Buzz?

- Hospitals are rapidly acquiring physician practices and assuming the coding and billing functions of those practices
  - Need for “inpatient” coders to learn outpatient coding rules in order to properly capture and report diagnoses, with the focus on HCC diagnoses due to MIPS reimbursement

- Hospitals must capture “risk” scores in the form of HCC diagnoses in order to positively impact their reimbursement as well as their standing in the community
  - Where “chronic” conditions that did not qualify as a CC or MCC may not have been coded before, the need for these additional codes to be supported in the documented and recorded on the claim is now equally important

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HCC's in the News…

SEARCH

The New York Times

A Whistle-Blower Tells of Health Insurers Bilking Medicare

By MARY WILLIAMS WALSH MAY 15, 2017

Benjamin Poehling, a former finance director at UnitedHealth Group, in Minneapolis. He contends that his company and other insurers have been systematically bilking Medicare Advantage for years.
Ackerman and Gruber for The New York Times

When Medicare was facing an impossible $13 trillion funding gap, Congress opted for a bold fix: It handed over part of the program to insurance companies, expecting them to provide better care at a lower cost. The new program was named Medicare Advantage.

As Mr. Poehling's lawyer, Mary Inman, described it, the government would pay UnitedHealth $9,580 a year for enrolling a 76-year-old woman with diabetes and kidney failure, for instance, but if the company claimed that her diabetes had actually caused her kidney failure, the payment rose to $12,902 — an additional $3,322. Ms. Inman is with the law firm of Constantine Cannon in San Francisco.

Need for documentation to provide clinical indicators, supporting criteria, and evidence of HCC conditions

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Documentation Requirements for Eligible Reporting

- Diagnoses must be documented
  - Coders cannot interpret labs or assume a diagnosis based on prescribed meds or MD orders

- Diagnoses should be documented to the highest level of specificity
  - Increases the likelihood of the condition mapping to a higher-weighted HCC (Example: Diabetes)

- Diagnoses must be documented in a document coders are permitted to code from
  - i.e. can't code *current* conditions from problem lists, medical history, or super bills
  - can't use documents that could propose "rule out" diagnoses – i.e. labs or x-rays

- Supporting clinical documentation for all reported diagnoses (M.E.A.T)

  Monitor - Signs, symptoms, disease progression or regression

  Evaluate - Review of test results, medication effectiveness, response to treatment – i.e. "stable," "improving," "exacerbation," "worsening," "poor"

  Assess - Ordering tests, discussion, review records, counseling

  Treatment - Referral, medication(s), planned surgery, therapies

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Documentation of HCCs

- Supporting clinical documentation for all reported diagnoses

- "M.E.A.T" Criteria
  - Monitor - Signs, symptoms, disease progression or regression
  - Evaluate - Review of test results, medication effectiveness, response to treatment
    i.e. "stable," "improving," "exacerbation," "worsening," "poor"
  - Assess - Ordering tests, discussion, review records, counseling
  - Treatment - Referral, medication(s), planned surgery, therapies

- "T.A.M.P.E.R" Criteria
  - Treatment
  - Assessment
  - Monitor / Medications
  - Plan
  - Evaluate
  - Referral

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How HCCs are Coded

- HCCs work on Hierarchies
  - The most severe presence of a qualifying condition has the highest rated HCC category

- For Example:
  - Diabetes (type 1 or 2)
    - No complications HCC 19 (0.018)
    - Complications such as CKD, retinopathy, cataracts, neuropathy, ulcers, etc. HCC 18 (0.368)
    - Complications such as coma, hyperosmolarity, ketoacidosis HCC 17 (0.368)

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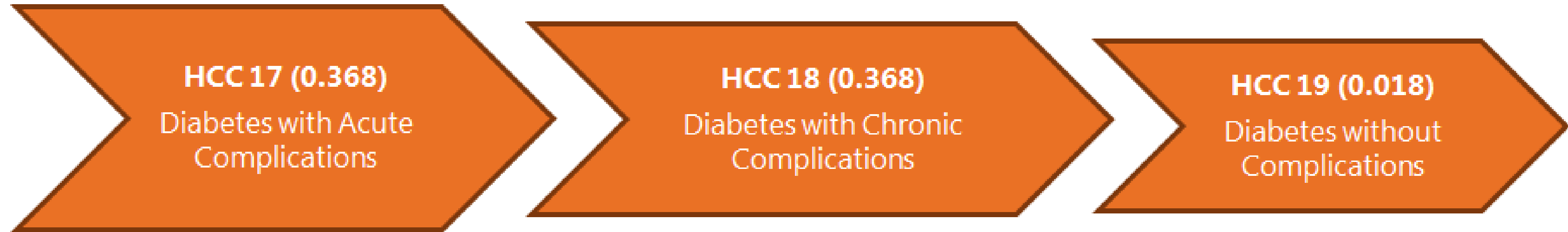
Hierarchy of Diabetes



HCC 17	HCC 18	HCC 19
DM (types 1 or 2 or induced) with • Coma or • Hyperosmolarity or • Ketoacidosis	DM (types 1 or 2 or induced) with Nephropathy; CKD; other kidney complication; retinopathy; cataract; neuropathy; other neuro complication; peripheral angiopathy; neuropathic arthropathy; dermatitis; ulcer; periodontal disease; hyperglycemia; hypoglycemia without coma	DM (types 1 or 2) with No complications

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Importance of Documentation

No Chronic Conditions Documented		Chronic Conditions Documented, Not Fully Specified		Chronic Conditions Documented, Fully Specified	
76 year old female	0.437	76 year old female	0.437	76 year old female	0.437
Medicaid eligible	0.151	Medicaid eligible	0.151	Medicaid eligible	0.151
Acute UTI (N39.0 – no HCC)	0.0	Acute UTI (N39.0 – no HCC)	0.0	Acute UTI (N39.0 – no HCC)	0.0
DM not documented	0.0	DM (E11.9, HCC 19)	0.118	DM w/ PVD (E11.51, HCC 18)	0.368
CHF not documented	0.0	CHF (I50.9, HCC 85)	0.368	CHF (I50.9, HCC 85)	0.368
No Condition Interactions	0.0	Interaction DM and CHF	0.182	Interaction DM and CHF	0.182
RAF Score	**0.588**		**1.256**		**1.506**

$5,644 **$12,057** **$14,457**

*Assuming the CMS Annual Base Rate is $9,600

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Documentation from an Outpatient Encounter

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Name: Allen, William (M) **DOB:** 5/8/1949 (66) **MRN:** 12524765 **Encounter:** 1111119

Chart Review
SnapShot
Results Review
Flowsheets
Graphs
Problem List
History
Letters
Demographics

SmartSets | Open Orders | SmartForms | Images | Questionnaires | Graphs | Scans | Admin | Adv Care Plan

Nurse
Chief Complaint
Episodes
Vitals
History
Allergies
Med. List
Rooming Tool
Nursing Notes

Progress Note

75 y/o female presents for ankle sprain and follow-up

Assessment and plan:

1. Ankle sprain—ice, avoid NSAIDs due to CKD. Check BMP.
2. Colon cancer—s/p colectomy and liver bx. Following with heme/onc for chemo. Check CBC, LFTs.
3. Type 2 DM—insulin adjusted.
4. CAD—CP at rest, cardiology eval, increase beta blocker.
5. Hypertension—continue current meds.

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HCC Weights and Expected Reimbursement

Factor/diagnosis	HCC	HCC weight
75 year old female	Demographics	0.437
C18.9 Malignant neoplasm colon	11 – Colorectal, bladder and other cancers	0.317
E11.9 Type 2 DM	19 – Diabetes without complications	0.118
N18.9 CKD	---	0
I20.8 Angina	88 – Angina pectoris	0.141
S93.402A Ankle sprain	---	0
Total Risk		1.013
Expected cost/reimbursement		$7200.00

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Improved Documentation

Documentation with greater specificity from that same outpatient encounter

75 y/o female presents for ankle sprain and follow-up

Assessment and plan:

1. Ankle sprain—**acute**, ice avoid NSAIDs due to CKD. Check BMP.
2. Colon cancer **with liver mets** — **active**, s/p colectomy and liver bx. Following with heme/onc for chemo. Check CBC, LFTs.
3. Type 2 DM **with diabetic CKD 4** —**stable**, insulin adjusted.
4. CAD — **unstable angina**, **active**, cards referral, increase beta blocker.
5. Hypertension — **stable**, continue current meds.

Assess

Monitor

Evaluate

Treat

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New HCC Weights and Expected Reimbursement

New Diagnosis	HCC	HCC weight
75 year old female	Demographics	0.437
C18.9 Malignant neoplasm of colon	11 – colorectal, bladder and other cancers	xxxx
C78.7 Secondary neoplasm of liver	8 – Metastatic cancer and acute leukemia	2.484
E11.22 – Type 2 DM with diabetic CKD	18 – Diabetes with chronic complication	0.368
N18.4 – CKD	137 – CKD severe Stage 4	0.224
I20.0 Unstable angina	87 – unstable angina and other acute ischemic heart disease	0.258
S93.402A Ankle sprain	000	0
Total risk		**3.771**
Expected cost/reimbursement		**$26,379.00**

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HCC Discovery Questions

- What is your organization's current interest in HCC capture, and why?
- How are you capturing the usage / reporting of HCCs today?
- What gap(s) exist in your current process and current reporting?
- Is your organization using any type of technology to track reporting today?
- What percent of reimbursement is from Medicare advantage plans vs. risk scoring from ACO?
- Are all providers in your practices engaged in HCC diagnosis reporting? (In other words, do all specialties participate or just certain ones?)

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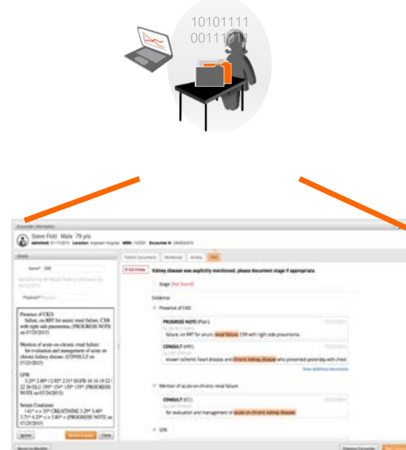
HCC's with Natural Language Understanding

HCC Engage

HCC Collaborate



- HCC Code Notification
  - Documentation of an HCC diagnosis
- HCC Supported
  - Evidence of the treatment, assessment, and support of the HCC diagnosis
- HCC Unsupported
  - Audit risk for HCC conditions
- HCC Opportunity
  - Evidence to get to a higher HCC category
- HCC ICD Opportunity
  - Evidence to get to an ICD-10 code that qualifies as an HCC
- Documentation Improvement
  - Evidence of need of documentation improvement

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HCC Provider Focus

2 David Bowers

Your messages are up to date.

Diabetes

Diabetes was documented (HCC 19).

- E11.9 - Type 2 diabetes mellitus without complications

Diabetic Complication

Diabetes and neuropathy were documented. If linkage of conditions occurs you may be able to use a more accurate ICD-10 code.

1 Dan Engel

Your messages are up to date.

Diabetes With Chronic Complication

- HCC 18 - Diabetes with chronic complication
- E11.40 (ICD-10) - Type 2 diabetes mellitus with diabetic neuropathy

Workflow

- Physician documents with speech or typing
- NLU evaluates in real-time (as they speak or type)
- Provides suggested ICD-10 Codes
- Identifies any HCC opportunities and makes suggestions
- Focused on High Value Areas
- Targeting specialties for full coverage next

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HCC Back End CDI Focus

1. Identify and validate documented HCCs

2. Audit to ensure Monitor Evaluate Assess Treat (MEAT) compliance is supported

3. Visit prep workflow prioritized by
   a. Upcoming patients
   b. RAF score opportunities

4. Patient condition registry for problem list reconciliation

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Questions?

Thank you!