Anatomy of a Physician Coder: Small, medium, and large physician practices all feature these multi-tasking, multi-responsibility coders

By Lisa A. Eramo

An analysis of the "physician coder" anatomy would reveal a cornucopia of responsibilities nestled under this one succinct title.

They are equal parts clinical documentation improvement specialist, office manager, patient counselor, physician process tracker, coder... the list goes on.

Take for example Melanie Scott, CPC, PCS, business office manager at Five Valleys Urology in Missoula, MT. Scott begins a typical workday by scrubbing superbills, verifying diagnosis codes, and flagging questions for physicians.

Next, she sends claims, follows up with denied claims, codes surgical procedures, and runs reports. Then, she monitors all regulatory changes, trains staff, and performs a variety of other tasks crucial to the practice's overall financial functioning.

It is enough to make anyone's head spin.

"I have to find a balance to get everything done," says Scott, who originally began working as a coder for Five Valleys Urology, which currently employs four physicians and two physician assistants.

As the practice expanded, so did Scott's responsibilities-until one day she was running the entire business office. "I grew into the position," she says, adding that she currently splits her time in half between coding and non-coding related duties.

Scott, who previously worked in a 100-provider multi-specialty clinic, says working in a smaller setting has allowed her to become more proficient in process improvement and denial management-skills she says many physician coders in small practices possess. "As a coder in a small office, you see the denied claim, and you know why it was denied," she adds.

It's not uncommon for physician coders, many of whom have years of experience working in a particular specialty, to make the transition from coder to manager-and to do so with ease, experts say.

The role of the physician coder is also changing rapidly due to new technology like computer-assisted coding (CAC), new regulations like the ICD-10-CM/PCS implementation, and the changing dynamic of healthcare-like physician offices merging with hospitals. Physician coder duties vary widely between small, medium, and large facilities.

There's no doubt that all coders are busy and somewhat overwhelmed these days. However, this statement couldn't be more true for today's physician coders, who must remain flexible to meet the needs of the practice in which they work and continuously learn new skills to adapt with changing demands.

Wearing Many Hats in Large and Small Facilities

At Children's Hospital of Philadelphia, very few physician coders actually possess the title "coder" because they primarily serve as business managers, billing office managers, denial managers, or office managers, says Gretchen Segado, MS, PCS, CPC, deputy compliance officer for hospital and professional fee billing at the organization. Children's Hospital of Philadelphia employs approximately 1,100 physicians and wholly owns and operates 67 individual clinical practices, each of which relies on one or more physician coders. Practices range in size, employing as few as four physicians in certain settings and up to as many as 120 physicians in others.

Unlike physician coders working in smaller practices, those working in larger practices or institutions may have served in a variety of other roles prior to obtaining formal coding certification. Segado started out in operations management before learning how to code. "There are quite a lot of us who have risen through the ranks. Our coding knowledge has helped us run better practices," she says.

Roles change based on the size of the physician practice or group. "If you're working for a small group practice, everyone is doing a multitude of jobs," Segado says. "Each office is organized a little differently, and sometimes it depends on what people's strengths and weaknesses are."

Experts say that coders working in larger practices, which are often multi-specialty in nature, must be extremely flexible and able to code a variety of specialties with ease. All physician coders must understand "incident-to" billing, which is unique to professional services and is related to billing for services provided by non-physicians, like nurses and medical assistants.

"[With incident-to billing] you have to have a physician in the office, so you constantly have to keep scheduling in mind," Scott says. "It's really tough even for the receptionists to sometimes figure this out."

As practices grow, physician coders may face staffing challenges that make their work even more overwhelming, says Sandy Giangreco, RHIT, CCS, CPC, CPC-H, CPC-I, PCS, COBGC, director of consulting at Coding Strategies, Inc., a consulting firm that works with medium- and large-size physician and hospital-based practices. "It's tough when the practice is just big enough to have an overwhelming volume of encounters, but not quite big enough to have the multiple departments and staff to cover the tasks," Giangreco says.

Physician coders may even be required to respond to RAC requests, audits issued by the Centers for Medicare and Medicaid Services that usually require sorting through and mailing piles of medical records. "It depends on the size of the practice and if there is a separate and distinct compliance department," Giangreco says. "Without a separate compliance department, coders may also be responsible to perform routine audits or coordinate this task with an outside firm."

The Teaching Coder

In addition to coding and overseeing the financial aspects of the practice, physician coders must also educate physicians directly. Children's Hospital of Philadelphia uses a decentralized education process that requires coders to lead all educational efforts at their practice. While the hospital does hold several coding roundtables each year to discuss annual coding updates, performs compliance training, and offers networking opportunities, Segado says it is difficult to keep coders and physicians updated on the many changes that occur during the course of a year when coders are not formally connected in a large institution.

Physician coders must also contend with other challenges, such as untimely access to hospital documentation (i.e., operative reports or progress notes) necessary for professional billing, Scott says. If physicians are gone for several days and don't sign off on their dictation, physician coders won't receive this information until the hospital releases it.

"If the information doesn't get to us, we can't bill for it," Scott says. At Five Valleys Urology, Scott is able to access the hospital's EHR, where she can download each physician's documentation. "This makes it faster for me than having to wait for the information to be faxed," she adds.

Another unique aspect of working directly in the practice setting is that physician coders tend to interact frequently with physicians. "I think it's invaluable to have that interaction because you learn so much about what they do," Segado says. Scott agrees that one-on-one interaction makes her a better coder and office manager. "We rely on each other and work really closely. Not a day goes by that I don't talk to a physician, or a physician comes and talks to me," she says. "If I have any questions about their documentation or coding for surgical procedures, I can walk into their office anytime and ask them about it.

"I think this will make a big difference with ICD-10 because the education will be on us-the coders-so having that open door will make a big difference."

However, not all physicians may be open to dialogue. Much of it depends on the individual personalities within the practice, Scott says. "I've been lucky. We mutually respect each other, and that's why I think it works so well," she says.

Managing Regulatory and Other Challenges

Some of the biggest challenges facing physician coders today include the implementation of EHRs and ICD-10-CM/PCS, experts say-challenges nearly identical to the top issues facing physician coders' cousins: acute care and outpatient coders.

EHR implementation, and its effect on documentation, is a concern among hospitals and practices of all sizes. Documentation that's copied and pasted from previous encounters is particularly challenging for physician coders trying to justify medical necessity and support the level of E/M code assigned, Segado says.

Another concern relates to incident-to billing. Physician coders must be able to differentiate between electronic documentation of services rendered by multiple providers in order to bill incident-to services correctly, Segado says. "In the old days, you could see the handwriting, so you knew who did what very easily. [With some less sophisticated EHRs] trying to determine who did which part of the service can be a little more challenging," she says.

Unlike hospital coders, physician coders may be required to provide significant input into the coding and billing evaluations of each EHR vendor, Scott says. Although providing this input can be beneficial in the long-run in terms of coding and billing efficiency, one disadvantage is that differing opinions can create tension, she adds.

The post-EHR implementation period can also be difficult for those working in practices where the EHR doesn't map services correctly, experts say. Not only do coders in these settings end up spending much of their time auditing E/M levels rather than coding, but they may also bear the brunt of physician frustration with the technology.

ICD-10-CM/PCS is another regulatory change that will challenge both inpatient and physician coders, all of whom will need significant training related to the new code set.

Physician coders may not receive intensive ICD-10-PCS training. However, simply honing their diagnosis coding skills to prepare for the change may be challenging enough, Segado says. This is largely due to the fact that although physician coders are trained in how to report ICD-9-CM codes, there hasn't traditionally been a huge focus on these codes because physician reimbursement isn't currently tied as directly to the reported diagnosis code as it is in hospital reimbursement, she says.

Once physician coders are trained, the ICD-10-CM/PCS preparation certainly doesn't stop. Coders must, in turn, cross-walk codes, evaluate documentation, and train physicians directly.

"ICD-10 will be a huge challenge for physician coders," says Scott, who will receive her own ICD-10 training in the coming months. "We're the ones who need to receive education, and then we'll be the ones who will educate all of the physicians and our other coworkers."

Scott plans to train the practice's physicians, physician assistants, nurses, and billing staff in early 2013. Timing the training in a smaller office will be difficult at best. "Everyone is constantly busy," Scott says. "It's like this in a bigger office, too, but you can probably pull some people aside and have others step in for them. We can't do that."

Anatomy, Physiology, and People Skills Essential

A solid understanding of ICD-10-CM/PCS is really just the tip of the iceberg in terms of what skills physician coders must possess to be successful in the near future, says Lisa Rae Roper, MHA, MS, CCS-P, PCS, CPC-I, healthcare educator at the Lifelong Learning Center in Missoula, MT, which provides adult education and workforce development training to accommodate the ever-changing job market.

"In the past three years, we've made huge changes," says Roper of the center's curriculum. "The workforce is demanding a different level of expertise for new and seasoned coders across the board, and outpatient is no different."

In particular, Roper says physician coders must first and foremost possess a greater proficiency in computer data mining and analysis. "Hospital coders must have a good understanding [of the EHR], but they have strong technical support within the hospital," she says. "A lot of times, depending on the practice itself-especially for the small and medium groups-this may not be true." EHR vendors provide assistance, though it may literally come at a price, she adds.

Anatomy, physiology, and pharmacology are also content areas that physician coders must master, Roper says. Even though most physician coders won't report ICD-10-PCS, which is heavily based on anatomy and physiology, they still need to understand the PCS system well enough to clarify physician documentation if questions arise.

"Understanding procedures at a higher level through anatomy and medical terminology also helps physician coders to code more appropriately in the CPT system," Roper says. "It will also help them code more appropriately with ICD-10 diagnosis codes. There are strong business reasons to emphasize instruction in these key areas on the outpatient side due to revenue flow."

Physician coders also need to enhance training related to business trends, customer service, and professional communication, Roper says. That's because in many outpatient settings the majority of a coder's time is spent interacting with physicians, patients, or payers-not just coding or performing data abstraction.

Strong communication skills can also enhance the query process, Roper says. "In the inpatient setting, we don't often have the direct face-to-face interaction with the provider," she says. "On the outpatient side, querying a physician might involve taking a chart, knocking on the physician's door, and asking a question. Depending on the practice, it can be a very informal process. "[Better] communication might be the key to prevention of errors or audits."

Roper says physician coders, many of whom essentially serve simultaneously as CDI specialists, might lack formal processes or training to perform in-depth queries. AHIMA has published query guidelines, though no guidelines exist specifically for coders working in the practice setting. "As far as I know, there is nothing comparable on the outpatient side. No set standard has applied because the query process has often been informal on the outpatient side," Roper says.

Pat Boyer, CPC, CPC-H, PCS, FCS, director of client coding services at Healthcare Administrative Partners, a large, privately-owned coding, billing, and practice management consulting company in Media, PA, says in addition to strong communication and computer skills, the company also seeks those with significant auditing experience. Healthcare Administrative Partners has more than 70 physician practice clients ranging in size from small to large practices. The company works with radiology, radiation oncology, pathology, emergency medicine, cardiology, primary care, and multi-specialty groups in hospital- and office-based practices and academic practice plans.

Clients frequently request coders who can audit, particularly as they implement EHRs and CAC, Boyer says. Physician coders assist with building rules for CAC engines, and they also help audit E/M levels assigned through EHRs.

"We're also asking coders to become more specialized," says Boyer, adding that interventional radiology, cardiology, and emergency department coding are in high demand.

Similarities Exist between Physician, Hospital Coders

To stay viable in today's job market, all coders must focus on continuing education and better understand how coding fits into the big picture, Giangreco says. "Learn all aspects of the charge capture process, and understand how coding impacts or is impacted by each of the steps in that process," she says.

The challenge for physician coders is that practice resources may be limited, Giangreco says. "Even larger practices are still very limited with the educational resources needed to support the coders," she says. "Too many are funding their training from their own pockets and using vacation time to attend conferences."

Physician coders working in small practices may find it difficult to stay updated on coding and regulatory changes. This is not only due to financial limitations but also because of the multitude of other tasks that coders must perform. "In a small setting, one person has this responsibility," says Scott, adding that in larger practices the responsibility is more often shared.

However, experts agree that physician coders who focus on education and professional development will be sure to stand out in a crowded prospective employee pool.

In the last two years, Boyer says Healthcare Administrative Partners' outsourcing business has grown steadily as practices place more of an emphasis on compliance and efficiency. Skilled physician coders are certainly in demand, particularly those with specialty training. "I think the number one issue is that practices can't find qualified coders," she adds.

Healthcare Administrative Partners has approximately 75 full-time, part-time, and per diem coders. Coders provide straightforward coding services and may manage the entire code-to-bill process, including working denials related to coding, bundling, and medical necessity.

In addition to focusing on continuing education, physician coders must also become more business savvy to thrive in today's ever-changing market, Segado says. "With the electronic medical record and accountable care organizations, we're going to be paid differently," she says. "I personally think that both HIM coders and physician coders need to understand what each other do much better than they do now. I think coders need to understand the business that they're in."

Segado says she expects that the line between inpatient and outpatient coding will continue to blur as payers move toward episodic payment in which physician and hospital services are bundled together. At her hospital, she has started discussing how these changes may affect billing compliance and contract negotiation. "Physician coders need to be involved in the contracting process because we're the ones who really understand what can and can't be billed for. Sometimes the hospital loses sight of that," she says.

Experts say physician coders will also continue to feel the various effects of hospital acquisitions of physician practices. In some cases, coders may have access to more coding education, tuition reimbursement, or electronic coding resources after the acquisition. They may also have more opportunities to expand their skill sets beyond one particular specialty.

"However, the larger the organization, the more elaborate the processes become, and in the quest for efficiencies, staff may be reassigned," Giangreco says. "Coders who have continued to stay current with their skills and certifications will typically find a place in the new organization. They must be willing to adapt to the new workflow and recognize ways in which they can use coding skills outside of the traditional heads-down coding job."

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