Change at Hand: How PDAs Can Transform Coding, Billing

by Mary H. Stanfill, RHIA, CCS-P

Have you ever had a physician ask if you can put the encounter form on her hand-held computer? Or maybe the physicians in your medical group have been offered free personal digital assistants (PDAs) if they use a certain application and they want you to find out if these devices can expedite charge capturing, too. Or perhaps your CFO wants to shorten accounts receivables days and proposes point-of-care charge capture on PDAs to accomplish this.

If you haven't yet faced these kinds of questions, it is likely that you soon will. This article will give you some basic information about coding and billing with PDAs.

What Is a PDA?

A PDA is a small, computerized device designed to be portable and easily accessed that can capture, store, and manipulate a variety of information. It is a hand-held computer small enough to fit in the palm of your hand or the pocket of your shirt. PDAs are defined by their operating system, much like a desktop computer. PocketPC (a Windows derivative) and Palm are the most common. As with desktops, software applications for PDAs are written specifically for a particular operating system.

These devices have been available for approximately 10 years, but widespread use has skyrocketed in the last few years. Hardware improvements and more diverse software applications led to a 169 percent increase in sales from 1999 to 2000.[1]

Who Is Using PDAs?

According to a 2001 survey by Harris Interactive, Inc., 26 percent of the country's practicing physicians used hand-held devices for professional and personal activities last year. What's more, 33 percent of doctors not using hand-held devices at that time expected to use them within the next five years. Based on these statistics, Harris Interactive estimates that 50 percent of the country's physicians will be using the devices by 2005.[2]

Currently PDAs are most commonly used for simple organizational tasks, but this is changing as more applications become available and physicians continue to search for methods to improve professional productivity. Analysts from investment bank W.R. Hambrecht in San Francisco predict the number of physicians using hand-helds for e-prescribing, ordering and checking lab tests, capturing charges, and dictating notes will have reached 20 percent by 2004.[3]

PDAs at Work

PDAs are currently being used in the coding and billing process in some physician practice settings. Although some software application packages are adapted for hand-held use, there are some limitations to features. Most packages are configured as "pick lists" for evaluation and selection.

The key to accurate and complete charge capturing is to collect information as close to the point of care as possible. The beauty of the PDA is that it can travel with the providers and is readily at hand where services are provided, so it is more likely that all pertinent charges are captured for an encounter.

Shopping for Software

A wide variety of software applications are available for PDAs, many written specifically for coding and billing. Sorting through the available software can seem like an overwhelming task. This process should begin with some basic strategic planning:

- **set specific goals and objectives** and decide how the hand-held device will be used and who will be authorized to use it. For example, does the medical group want to use the PDA to actually assign codes or to simply serve as a mechanism to communicate billable visit dates to a coding professional?
- **determine what software applications** will be used and what, if any, training will be required
- **determine whether use of the devices will be required by all physicians** within the practice or only by physicians who choose to participate
- **evaluate other functions of the PDA**, such as prescription management, report dictation, cell phone integration, and clinical assistance software
- **prioritize the goals and objectives** in light of available resources and willingness of the practice to embrace change in procedure
- **identify any existing limitations**, such as compatibility with existing billing or database software or hardware
- **determine how privacy and security** of patient data can be protected in a device that is easily removed from the practice and also easy to misplace or be stolen

The HIM professional's perspective is invaluable in analyzing coding and billing software applications for hand-held devices. A coding professional can determine if the scope of the software is too broad or too narrow. For instance, if the software is designed specifically to capture hospital rounds, the coder should verify that it also captures professional services that may be provided in adjoining service areas such as a nursing home or for observation patients.

A coding professional can also verify that the software captures all information that may be needed to accurately assign a code or generate a bill for the service. For example, there should be a mechanism to record place of service to differentiate a nursing facility consult from a hospital inpatient consult (both coded 9925x). The coding professional should test the software to make sure the result is an accurate code assignment and verify that the output (information on the claim form) is consistent with what is input (data entered into the PDA and synchronized with the practice management or billing system).

Possible pitfalls when evaluating coding and billing software for PDAs include:

- coding pick lists that are incomplete or difficult to customize
- abbreviated code descriptions that could lead to erroneous code assignments
- lack of coding guidelines and convention in coding software packages
- outdated versions of ICD-9-CM codes, CPT codes, or NCCI edits
- regional LMRPs or customized edits inherent in the software that may not be universally applicable to all patient types and may adversely affect reimbursement levels
- inability to link diagnoses with CPT codes or to add modifiers to CPT codes when needed
- inability to capture all information needed to complete a claim at the point of service, requiring additional review and processing and compromising the benefits of using the device
- limitation of the number of diagnoses and procedures allowed for an encounter

Implementation Begins with Planning

As with selecting software, the key to successful implementation of PDAs is planning. Be prepared to re-engineer entire work flows to exploit the convenience and efficiency of capturing charges and assigning diagnosis and procedure codes concurrently with patient visits. It will be necessary to determine how the patient lists will be made available on the handheld devices and how information from the PDA interacts with the main information system.

Anticipate all areas of the paper process that will be affected and devise alternative methodologies. For example, if the PDA will replace the paper encounter form, follow the encounter form through the entire patient visit from the time an appointment is made to completion of the billing cycle. Does the encounter form serve as a list to pull the chart or serve as the patient's receipt? If so, determine ahead of time how these functions will be accomplished.

Test the PDA software extensively. Run pilot tests on actual patients, if possible, before changing procedures for all services. Tests are important because viewing data on a PDA is not the same as using a laptop computer or an average PC monitor.

Keep Everyone Involved

It is critical that all physicians within a practice are involved in planning for conversion of a paper-based charge or coding system to an electronic solution. Some physicians are more at ease with electronic gadgets than others. To adopt a successful procedure, the cost-to-benefit ratio must be measurable and the value demonstrated. If time savings and improved reimbursement through more accurate charge capture are shown, use of PDAs will be easy to sell to busy physicians. If caregivers do not believe that the technology's benefits significantly outweigh its costs, they will not support it.[4]

It is also important that the coding professional take part in this strategic planning to provide feedback on whether goals are consistent and realistic in light of other coding compliance initiatives. Achieving consensus through strategic planning will greatly facilitate software selection, as some of the available products may not provide a full range of coding guidelines and compliance information essential for accurate reporting.

Be Prepared for the Future

More physicians are using PDAs every day. Additionally, PDA use for code assignment and charge capture for professional services is expected to increase significantly over the next two to five years. The coding professional should be familiar with this technology and some of the various software applications available. Then, when questions arise, they can respond and demonstrate how to effectively use this technology while protecting sensitive patient data.

Notes

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4. 4. Colgan, Peter. "Implementing a Mobile Coding Solution." *In Confidence* 9, no. 4 (2001): 8-9.

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Article citation:
Stanfill, Mary H. "Change at Hand: How PDAs Can Transform Coding, Billing." *Journal of AHIMA* 73, no.8 (2002): 74-76.