Preparing for POA Reporting: How One Facility Educated Its Staff on the Importance of the New Requirement

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Section 5001(a) of the Deficit Reduction Act introduced a new data reporting standard for hospitals submitting Medicare claims. The present on admission (POA) indicator will be a requirement for inpatient Medicare claims submitted by all hospitals on October 1, 2007.

This article outlines the guidelines for reporting the POA indicator and explains how one hospital prepared its staff for the new requirement.

Applying the POA Properly

The guidelines published as part of the Deficit Reduction Act require the POA indicator to be applied to both principal and secondary diagnoses. In addition, they require the secretary of Health and Human Services to select at least two conditions that are:

- High in cost, high in volume, or both
- Assigned to a higher paying DRG when present as a secondary diagnosis
- Reasonably preventable through application of evidence-based guidelines for Medicare hospital inpatients

Once selected, hospitals will be required to identify these conditions on secondary diagnoses. Beginning October 1, 2008, cases with these conditions will not be assigned to the higher-paying DRG unless they are present on admission.

The Centers for Medicare and Medicaid Services (CMS) has begun working with the Centers for Disease Control and Prevention (CDC) and others to further clarify and implement the POA indicator for this purpose. CMS began by forming a work group of physicians, CMS staff, and CDC staff to review a list of potential conditions. Following that, CMS held sessions with state hospital associations and other organizations to gain additional input. From these meetings, CMS developed a prioritized list of 13 conditions that met the three characteristics.

CMS proposed the first six conditions that meet these criteria and provided some much-needed guidance on the intent of the POA indicator in an April 13, 2007, fact sheet. The secondary diagnoses include:

- Catheter-associated urinary tract infections
- Pressure ulcers
- Staphylococcus aureus septicemia

The secondary diagnoses considered serious preventable events are:

- Objects left in surgery
- Air embolisms
- Blood incompatibility

All of these conditions are considered secondary diagnoses. At this time CMS is soliciting comments on the selection of each of these conditions.

Hospitals are to follow the national guidelines and report the POA indicator for all diagnoses. Payment for the six conditions listed above will be adjusted starting October 1, 2008.

It is important to remember that until October 1, 2007, there is no national requirement for POA reporting. However, some states such as Maryland, Florida, and Massachusetts are moving forward with POA reporting on a state level.

To ensure that your facility is in compliance with any state-specific POA reporting requirements, check with your state hospital association. If your state has no current requirement, reporting would hinge on the CMS planned implementation date of October 1, 2007.

Implementing the POA Indicator

One hospital that has successfully implemented the POA indicator using the national guidelines is West Florida Hospital. HIM director Debbie Wroten, RHIA, and coding supervisor Deborah Bachelor, RHIT, CCS, focused on physician and coder education.

The Florida Hospital Association provided a formal education conference on the POA indicator, and hospitals could use this material in addition to their own content to provide education and training.

Wroten attended every medical staff meeting in the six months prior to the January 1, 2007, implementation date and focused on the need for good documentation from physicians. The target audience at these meetings was medical staff and nursing staff.

The information provided included:

- What the POA indicator is.
- Why the POA is being collected (Florida captures POA data via state reporting).
- How POA would affect state reporting data (better comparisons of quality between facilities).
- How capturing the POA indicator would affect providers, focusing education on the fact that physician documentation within the medical record determines what the coder is able to extract. The organization also informed its nursing staff that documentation from any provider involved in the care of a patient could be used to support the determination of whether a condition was present on admission or not.
- How the hospital would collect data, explaining that coders would identify and report the principal and each secondary diagnosis.
- Case scenarios to assist physicians and nurses in understanding how the POA is applied to diagnoses.

Clear and concise documentation from care providers is essential to the success of POA, says Wroten. In order to demonstrate the importance to physicians, she stressed how the POA will affect physician report cards.

Physicians are very much aware of the report cards that are generated regarding individual quality and “when you perform a drill-down on quality report cards, POA can play a significant part in explaining why variations exist,” Wroten says.

She also placed articles in the hospital’s physician newsletter and provided one-on-one education through the ongoing query process at her facility. “The single most important part and most significant challenge of POA implementation were physician education and documentation,” she says.

Analyzing the Results

Having a solid process in place to discuss ongoing documentation issues and concerns can assist coding professionals in POA implementation. “It is still too early to really determine if any improvement has occurred as a result of the POA education, since there is no baseline statistics prior to POA rollout,” Wroten says. “However, I will note that we have not had to initiate a lot of queries to our medical staff regarding POA clarification.”

The impact of POA implementation on coding productivity has been “minimal” according to Wroten. However, she remains “cautious of success due to a lack of analyzed data.”

Because there is a lack of benchmarking data on POA as well as a lack of consistent national data collection, there is no concrete way to determine the POA’s impact on coding productivity and other HIM processes.

Coders Integral to Implementation

The POA indicator is one more variable that defines the need for a strong skill set within the coding profession. The POA raises the bar for coders and their knowledge by placing a spotlight on quality coding.

The success of the POA indicator, as well as the quality-of-care implications that come from its use, can be said to depend in part on the experience, knowledge, quality, and consistency of the coding professional as well as on the accuracy of physician documentation. "If you can tie in the collaborative partnerships that will need to exist between the coding staff and the care providers, I think you would hit the nail on the head," Wroten says.

In order to prepare for the POA indicator, coders should spend time preparing themselves as well as physicians. "Coders should feel proud of their part in the healthcare profession and know that they are making a difference, as well as an impact on quality reporting," Bachelor says.

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Acknowledgments

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