Writing a Coding Success Story: Best Practices and Beyond

By Jane Jeffries

What are the cornerstones of a thriving coding department? How can you ensure your coding team is built on a foundation of education, compliance, and satisfaction? We spoke with several coding managers to collect solutions and guidance for common coding challenges.

What's the secret to a successful coding department? Organization-wide support? Satisfied coders? Quality checks? Adequate human and financial resources? Actually, it's all of the above. Today's coding environment presents more challenges than ever to managing workflow, maintaining compliance, and retaining valuable employees. But this isn't a losing battle. We consulted several coding managers to assemble a powerful collection of best practices for every department.

The panelists are:

Gloryanne Bryant, RHIT, CCS, director of coding and HIM compliance, Catholic Healthcare West, San Francisco, CA

Enver Kinsey, RHIA, CCS, coding and data quality manager, Frederick Memorial Hospital, Frederick, MD

Rosanne Lippert, MS, RHIA, director of HIM, St. Joseph's Medical Center, Stockton, CA

Linda Schwab, RHIT, assistant director of medical records/coding manager, Denver Health Medical Center, Denver, CO

Tammy Tanner, RHIT, coding supervisor, Satilla Regional Medical Center, Waycross, GA

Dietrice S. White, MBA, RHIA, CCS, director, health information services, St. Louis Children's Hospital, St. Louis, MO

Chapter 1: Taking It Home

*You've been short-staffed for nearly a year, the growing accounts receivables due to unbilled claims is making your CFO nervous, and your current coders have barely enough room to turn around. Remote coding can solve all these problems, but is your department ready for it? Our panelists share their experiences with remote coding and provide some valuable advi*ce.

Tanner: We currently have two coders working from home who are very satisfied. Remote coding has allowed us to fill coder vacancies, drastically reduce outsourcing, reduce AR days, and solve the issue of space constraints.

To prepare for implementation, we had to examine our present process of getting the charts coded. For example, we now scan charts prior to analysis. We also had to work closely with the IS department in resolving issues such as getting the codes into our abstracting system.

We've made a lot progress with remote coding and learned a lot of lessons, the most important of which is involving the IS department from the very start. Another critical issue is monitoring the remote coding process, which involves tracking technical issues, quality, documentation issues, and productivity. This also means ensuring that home coders have enough charts to code when they need them. Further, it's important to have tentative policies and procedures in place during the initial implementation, though these will certainly change as issues arise and are resolved.

If you have on-site coders in addition to remote coders, be sure to include them during the planning and implementation of home coding. We hope to have all coders at home in the near future. It has taken the entire health information department to support home coding, with everyone playing an important role in its success. We are constantly changing and improving our processes to ensure the continued success of remote coding.

Lippert: We decided to implement home coding because we had a shortage of coding staff and great difficulty finding contract coders when we need them. We thought the incentive of coding at home would attract both more employees and more outside coding resources.

We planned ahead by having several meetings with our information technology department to prepare for installation. This is crucial. The IT department has so many projects on its plate that we needed to know when we could realistically implement this new program. As it worked out, we were still delayed by more than three months because of in-house technological issues.

We have just begun to implement the home coding process and have decided to slowly move our in-house coders home. We have two coders accessing the records on the Internet from their workstations in the hospital. We thought it would be a good idea to troubleshoot while they were on site with the scanning personnel. They communicate regularly and are streamlining the process. Once our system is working well, the coders will work at home. Then, we will train two more coders until all who want to work at home are trained. The next step will be to send our four part-time contract coders home.

Schwab: In my organization, an integrated healthcare delivery system that includes an acute care medical center with Level 1 trauma status, part of the coding staff has worked at home for the past three months. Implementing home coding has created several major challenges, including the addition of several new coders to our staff, changes in the work flow and distribution of coding assignments, the need for flexibility and patience from all staff members as we get new systems up and running, and preventing feelings of isolation, favoritism, or miscommunication among the coding team.

The decision to implement home coding was prompted both by our difficulty recruiting coders and the APC reimbursement system. We wanted to expand coding responsibility for several outpatient types from the individual departments to medical records and needed more staff to support this.

In implementing the remote coding program, the medical records department met frequently with the IS department. We described our needs to them and they determined the best systems to use. IS personnel dealt directly with the home coding service staff and the local phone company and personally installed PCs in each of the coders' homes. The IS department also recommended policies to ensure privacy of information on the coders' PCs and to require that the hospital PC is used for hospital work only.

Next, we met with the hospital attorney to determine what special policies and procedures were needed to ensure compliance with strict confidentiality standards. Then, we created special confidentiality agreements and work rules for home. We obtained input from the deputy CIO, the legal department, the human resources director, and an experienced home coder.

While implementing the home coding program, we learned that every step takes more time than expected. When telling the coders when they can expect to begin coding at home, overestimate how long the process will take. Allow time for training and implementation that will have a temporary negative effect on productivity. We found it helpful to set up a simulated home coding station on site where the coders could practice using the system they would use at home so the IS staff could work with them and make adjustments easily.

Work with the entire medical record department and keep them informed about the home coding program. You will need support and input from all areas of the department to make sure the record processing for home coding does not interfere with the needs of the rest of the department. If you adopt a Web-based system using scanning, I would advise starting with inpatient records before trying to scan outpatient records. Outpatient records are more difficult to manage due to their small size and high volume.

Make sure the home coders understand that it may occasionally be necessary for them to code on site if, for example, any of the systems fail for an extended period of time. Further, have regular department meetings and require the home coders to attend. Also, use e-mail to keep all coders informed of any announcements or changes. Distribution of work must be monitored carefully, ensuring that both home coders and on-site coders have a steady flow of charts available to them. Work assignments must be clear and closely followed to avoid duplication of effort between home coders and on-site coders.

Scanning and prepping records for home coders requires more time and support than we initially estimated. We have already added to our scanning coverage with additional staff two nights a week, and the support staff may need to be increased even further. We developed a coding support position responsible for coordinating between the on-site and home coding staff. This position is continually evolving as we change procedures, add more coders to the home program, and learn how much time each process takes. This person must have a good understanding of medical record processes and be a creative problem solver, because we come across new issues we had not predicted.

Chapter 2: Going Outside for Additional Help

Tackling a coding backlog can require more time and human resources than most HIM departments are able to provide. Contract coders can be the solution. Our panelists offered a few suggestions when exploring this option.

Kinsey: Because my facility is short four coders—50 percent of the staff—we are currently using two different contract coding companies. We have to maintain our four-day bill hold and only two of my staff members can work overtime. We selected the vendors based on responses to an RFP. The primary consideration was availability of a "local" contractor so we would not have to pay travel expenses other than mileage. Quality of coding and customer service were also important factors. I have no problems with my current vendors and they adhere to all internal policies and procedures and are working out well—they're just expensive!

Bryant: We regularly use contract coding services to maintain the accounts receivable required goals and to cover for vacations and illnesses that create coding backlogs. In my facility, we developed specific contract language requirements for contract coding/DRG services and consultants and have not had problems getting vendors to comply. I believe that this contract language has helped bring about change with our vendors and raised the understanding about specific requirements and compliance. (See a sample of the contract below)

Chapter 3: Hanging On To the Good Ones

A tight labor market challenges every employer, but qualified coders are particularly difficult to hold on to, thanks to the demand for their specialized skills. Our panelists made it clear that a variety of benefits and educational opportunities are the ammunition HIM departments need to retain employees. Here's a look at their strategies.

White: Reward and recognition is an important part of retaining qualified employees. We offer a wide array of rewards, such as individual and group performance bonuses, flexible scheduling, and "wooden nickels" (hospital tokens that can be used to purchase items in the gift shop or cafeteria). We also recognize important accomplishments and employee milestones in our department newsletter. This gives us the opportunity to publicly acknowledge and thank the employee for years of service to the hospital or for a job well done.

Also, it is essential to give coders and other staff members both educational and social opportunities to network outside of the organization. This not only enhances their professional value to the organization, but their personal value as capable and talented individuals.

Schwab: My department has many strategies for retaining employees, including recruiting and offering training to employees in related hospital departments (such as patient accounting) who have an interest in coding, because these employees are already familiar with many aspects of our facility. Also, we make an effort to report back to the coding section any successes that they have contributed to, such as a reduced accounts receivable, as well as rewarding the team for meeting established goals with public acknowledgment of their accomplishments, lunches, and other incentives.

Allowing coders access to good resources and educational workshops that will enhance and improve their coding skills also serves as an incentive, as does providing flexible hours and home coding when possible. We assess employees' skill levels and special interests, and keep these in mind when making coding assignments, as well as giving individual feedback as much as possible. Finally, stress the importance of hiring qualified coders and paying them adequately to your administration. Qualified coders are necessary to comply with federal regulations and receive proper reimbursement for the facility.

Bryant: Providing ongoing educational opportunities to the coders helps retain them. We offer seminars, videoconferences, coding newsletters, and other helpful materials. In addition, we provide education and training for novice and advanced coders

through a Web-based educational product for coding training and education.

We encourage the hospital to use sign-on bonuses for coding positions and have discussed several times with upper management the need to pay coders a salary that meets the market demand. It's a challenge to increase the understanding of the value these HIM professionals have to any institution of healthcare practice. Our management is currently reviewing a possible incentive program for meeting productivity standards, accounts receivable goals, and quality standards that would apply to the HIM department as a whole.

Chapter 4: Resources at the Ready

Even the most experienced coders need coding references and continuing education. Plus, creating a culture of education through seminars, individual training, and easily accessible resource materials can be one of the easiest ways to improve coding and compliance. Take a look at the resources your peers provide.

Tanner: In our facility, coders are provided with continuing education through our facility's education department as well as off-site programs. Coders also have online references, such as Coding Clinic, which are easily accessible while coding. We also provide in-services and distribute Medicare bulletins. Finally, we've implemented a compliance plan that routinely monitors coding, and the results of these audits are distributed and discussed.

Schwab: We have used several different methods to ensure that coders receive ongoing training. Because some of our coders are very experienced while others are new to the field, their educational needs are quite different. We encourage the coders to attend at least one coding workshop per year. Recently each coder was required to review an educational CD on APCs and complete a short quiz. The coders also use an encoder and have access to the related resource package, including Coding Clinic and CPT Assistant online. I hold monthly coding section meetings and include some educational information at each meeting to improve consistency and compliance with regulations. For some of the newer coders, I have an experienced coder on the team check their work and come to me with questions if they find issues they cannot resolve themselves.

Recently, the hospital purchased a Web-based training program that includes several coding modules at beginning, intermediate, and advanced levels so I can develop individual training programs for the coders. They will be required to complete the modules and take a quiz so that I can pinpoint any areas where they may need further education.

Lippert: Our corporate coding and compliance specialists provide two to three coding seminars for our coders a year. In addition, we use an online continuing coding education product. We also have quarterly audits by an outside company and they provide follow-up education for coding staff, plus audits from the corporate office with follow-up education. I also budget $150 per year for each coder to attend one outside seminar of their choice, as long as it is related to coding and compliance.

White: Every year, each staff member creates a self-development plan that highlights those areas or tasks identified through the performance appraisal process that require additional knowledge or development. Each individual, with the help and encouragement of the team leader, is responsible for defining the activity that will satisfy the area of development. I think this process is successful because the employees have ownership of their development activities and the speed at which they occur.

Chapter 5: Can't Read It, Can't Find It

Deciphering documentation, whether illegible or incomplete, is an ongoing challenge for coders. Make their job easier by educating caregivers about the importance of complete, legible documentation in every record. Here are our panelists' tips for getting the message across.

Schwab: To improve medical record documentation by care providers, my facility began a series of required seminars for attending and resident physicians. The speakers include the hospital compliance officer, coding manager for medical records, coding manager for physician billing, and the chief officer of billing. At the seminar, physicians are given actual examples of illegible or inconsistent documentation plus specific tips on improving their documentation.

Kinsey: We were previously using a query form that was kept as part of the permanent medical record. When the coding staff queried physicians, they also explained the reasons for the questions and tried to educate physicians about coding

guidelines. Even though HCFA rescinded the query memorandum, we will no longer use the query form as a permanent part of the medical record. We have begun to use a physician liaison to help us educate the medical staff. We hope to present physician-specific data to the medical staff to identify trends and educate them on methods for improvement. Legibility is monitored through chart review and is reported quarterly. Chart delinquency is also monitored monthly, and results are reported to the medical staff.

Bryant: My organization is just finalizing a policy to address illegibility. This policy was reviewed by nursing management and the HIM directors across our system. We are asking each facility to adopt this policy and implement it with their medical staff.

Improving documentation has been an issue since the first physicians wrote down their thoughts about the care they gave their patients. Currently the care management and coding compliance departments have created a medical staff continuing education class that addresses the hot topic of report cards and the data used in these profiles. We demonstrate in the presentation the link to DRGs, APR-DRGs, and compliance. Then the final part of this educational presentation is documentation.

We also have created additional tools to assist HIM departments in getting the word out that documentation is important and raising the level of awareness. Fliers, posters, memos, and articles for medical staff newsletters are all methods we use and recommend to hospital administrative staff.

Tanner: We have just implemented a strategy for addressing documentation issues: the query form. It's used as an educational tool for our physicians as well as a documentation deficiency slip. The query form is removed from the record once the additional documentation or clarification is entered into the record by the physician.

Chapter 6: Quality—Always a Priority

You've got the coders—now you need to make sure they're coding correctly. Systematic audits and reviews can protect your organization and provide valuable education to your coders. Here's how our panelists monitor quality.

Bryant: Through our systemwide coding/HIM compliance plan, we conduct on-site audits across the system. Each facility has coding reviews twice a year in inpatient, outpatient surgery, ER, and ancillary coding. The audits include documentation assessments and operational assessments. In addition, we will soon be implementing coding compliance software, which will monitor 100 percent of the inpatient coding at our facilities. We also conduct additional audits and reviews based on the findings of prior audits.

Kinsey: We use a consulting firm to perform quarterly audits and are implementing prebilling audit software to evaluate 100 percent of our records before the bill is released. We also have a coding program that uses peer review to ensure accurate code assignment. It is an educational process for coders and not punitive in any way.

Schwab: The coding manager performs random coding audits throughout the year, and an external agency performs one audit per year. In both cases, the coder is given feedback on every discrepancy found and the opportunity to respond. Multidisciplinary audits are also performed in which the coding manager, a billing manager, and a clinic manager review the coding and compare it with the bill to ensure that all systems are transferring information across correctly. The bill is also checked against the medical record to be sure everything that is billed is supported by proper documentation. Any bill returns or denials from the PRO that are due to coding errors are tracked and discussed with the coder.

Tanner: We monitor the quality of coding through coding audits. We use both random and focused reviews. We also look at areas targeted by the OIG. All coding monitoring considers reliability, validity, completeness, and timeliness.

Chapter 7: Spread the Good News

Coworkers' respect can play a major role in job satisfaction. Does your facility know how important coders are to its ongoing success? Our panelists offer ways to promote coders' skills to your organization and highlight the value of the profession.

Kinsey: Coding staff participate in various project teams throughout the organization. They give presentations to various staff about basic coding principles and the role of coding in reimbursement (e.g., the difference between codes assigned in medical records versus codes assigned via the CDM). All staff assist with answering coding questions from other departments, patients, physicians, and payers, and we host internships for HIM students at a local business college.

Bryant: Part of my role is to increase awareness and understanding of importance of coding and the responsibilities of the coding staff. I meet every other month with our corporate board representatives and give a brief overview of the state of coding within Catholic Healthcare West. I also meet regularly with our corporate CFOs as well as our corporate compliance committee members. Our internal lines of communication include CFOs and compliance committee members on a regular basis. In addition, the hospital presidents are also provided with information about coding and HIM compliance regularly from the corporate coding/HIM compliance department.

White: We seize opportunities wherever and whenever we can to promote our department and the many duties and responsibilities we have in ensuring that quality patient care is provided. We market our department especially during HIM Week and offer our services and expertise to other areas on an ongoing basis. It's my opinion that collaboration is the best way to educate others about our profession and our numerous talents.

Sample Contract Language for Contract Coders

Coding/HIM vendors, contractors, and consulting companies shall meet the following criteria in their contracts:

1. All contracts shall be in writing and both the CFO and the HIM director/manager shall review the contents of the contract and the expectations stated within.

2. Appropriate contractor/vendor references and background checks shall be completed, including the OIG exclusion lists.

3. All contracts must be reviewed and approved by legal counsel.

4. All contracts shall contain a clause requiring the contracted employee or consultant to identify both overpayments and underpayments.

5. No contractor or consultant shall have the right to submit claims on behalf of [organization] without prior review by a management-level employee.

6. All contracted employees and consultants must also provide evidence of continuing education (CE) units for their employees for the past 18 months, read and sign an acknowledgment to follow our coding and compliance policies, demonstrate evidence of quality improvement practices and the existence of an internal compliance program or plan, and structure payment for services on an hourly fee for service basis, with an estimate of the total number of hours for the given project.

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