

## *Providers Using INCISIVE™ Increased Revenue by 29.9%*

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In a recent study that compared before-and-after reimbursement rates in four clinics that have been using INCISIVE for at least six months to code their surgical claims, provider reimbursements increased an average of 29.89%. Recognizing that both support systems and billing data vary drastically as a result of clinic size and location, the surgeons selected to participate in this study were affiliated with facilities that ranged in both size (from solo practice to 28 surgeons) and location (clinics included in the study were based in Washington, Oregon, Illinois, and Texas).

### *Clinics are Leaving Money on the Table*

After spending several years evaluating medical claim reimbursement issues, CrossCurrent has shown that roughly half of complex surgery claims have errors that could have been prevented or fixed, thereby significantly increasing a provider's revenue<sup>1</sup>. For this study, a complex claim was defined as one with 3 or more lines of service, using two or more modifiers on at least one claim line. In examining these claims, the study found that clinics consistently experience a variety of factors that contribute to lower reimbursements. Some of the most significant issues found were:

- Billable services missing from the claims
- Incomplete documentation of billed services, which fail to justify the billings
- Outright denial of multiple claim lines
- Missing or improper use of modifiers, resulting in excessive payment delays, underpayment or outright denial
- Fee schedules set below maximum allowed payment
- Collectable revenue left uncollected, typically in response to the time needed for the surgeon to complete the denial process
- No payment for assistants or co-surgeons
- Underpaid claim lines
- Over-representation of payers with low reimbursement rates in the provider's payer mix
- Significant adjudication, contract, and calculation errors made by payers

Despite the broad range of problems discovered while reviewing the claim data (the "before" claims), the study demonstrated that these problems are preventable. After incorporating INCISIVE into the clinic's billing process,

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<sup>1</sup> Surgical claims are analyzed in an ongoing effort to better understand provider payment problems. Working in conjunction with the provider's post-operative notes, complex claims are randomly selected and recoded, using INCISIVE MD. The newly coded claim is compared to the original claim, along with the payer's reimbursement data. After comparing the two, problems and errors resulting in zero or reduced payment are uncovered. Typically, 50% of the claims in the sample have problem(s) that reduce the value of the claim to the provider, and ultimately have significant impact on payer reimbursements.

participants maximized billed and collected revenue because claims were billed completely and accurately. Recognizing that even the most precisely coded claim faces the scrutiny of payer representatives, who often lack the training and/or resources necessary to process complex claims, INCISIVE continues to track payments through the dispute process, when necessary.

### *Bill for All the Work You Do and Get Paid for All the Work You Bill*

In evaluating the clinics involved in the study, CrossCurrent confirmed that INCISIVE supports the work, not only of surgeons but also, of practice administrators and both the medical and business support personnel, creating greater transparency for practice administrators and improving workflows for staff. Both billing and administrative staffs were able to track claims more efficiently, detect and remedy both denials and underpaid claims, and significantly reduce days of receivables outstanding. INCISIVE also offers the practice manager and business leader critical insight into the workings of their billing processes and their clinic's performance, which they can then use to make powerful and effective business decisions.

Unlike practice management and medical records systems, INCISIVE improves and facilitates the following workflow steps that directly impact clinic revenue:

1. Surgical planning workflow
2. Describing and documenting the services provided to patients for billing purposes (coding)
3. Finding and disputing underpayments with payers

## **Providers' Results**

In this study, CrossCurrent compared billing and payment data for all surgical cases billed by four providers (in four separate clinics) for two consecutive years. Six month periods from each year were evaluated--the first year without INCISIVE, and the same period one year later *with* INCISIVE. Our theory for the study was that INCISIVE's intuitive user interface would allow the surgeon to avoid inadvertent omission of work performed, and that this would show up as increased RVUs per case. Furthermore, we were highly confident that INCISIVE's coding engine and dispute resolution module would dramatically increase the revenue generated per case. Accordingly, the study evaluated both RVUs per case, as well as resulting reimbursement per case.

Data from the same six month periods in 2006 and 2007 was collected<sup>2</sup>. Both the average RVUs<sup>3</sup> billed and the average payment received per case were calculated for each of the six month time frames, and subsequently compared. To further ensure the efficacy of the study, providers selected to participate maintained a similar payer mix and performed similar cases over the study period, thus ensuring the results were not the result of systematic changes in these factors<sup>4</sup>.

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<sup>2</sup> Comparing data from the same month in the previous year helps eliminate noise from the typical variation in the type of cases performed seasonally.

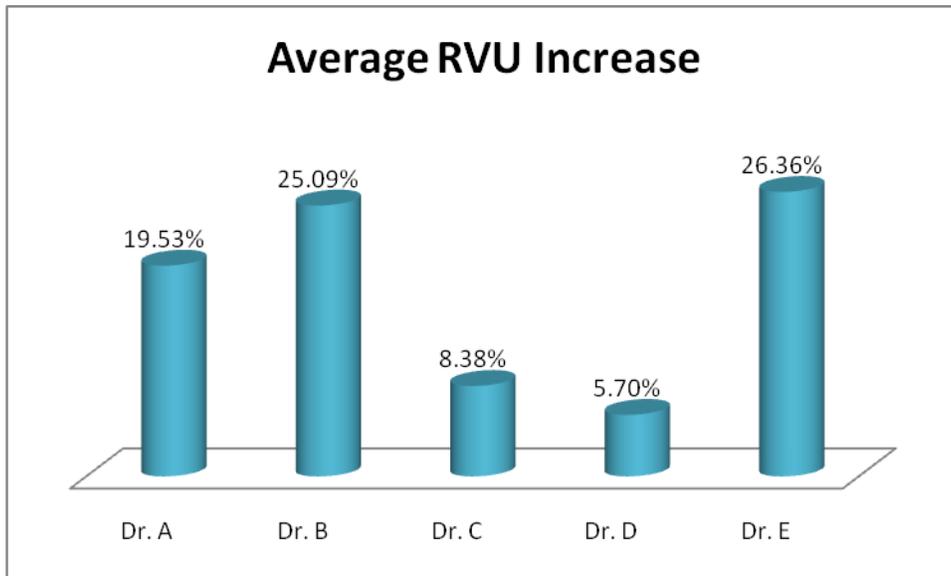
<sup>3</sup> Work per surgical case was measured in Medicare's Relative Value Units (RVU) ignoring the effects of modifiers.

<sup>4</sup> Surgeons participating in the study did not change their payer mix or case types over the study period. As a result, the data was neither controlled nor normalized for these factors. Since payer mix and case type are random variables, we expected the effects of case type and payer mix to largely cancel out.

The study sought to determine whether providers succeeded in billing more RVUs per case based on INCISIVE's ability to:

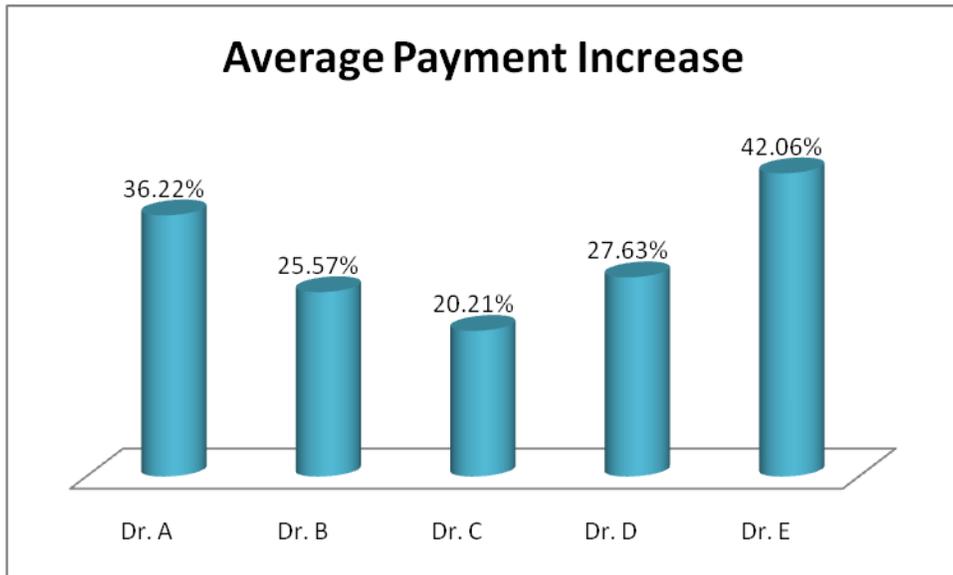
1. Correctly use higher value codes when appropriate
2. Code for all the work done (more claim lines per case)
3. Correctly use modifiers when appropriate to enhance the value of claim lines

Results of the study demonstrate that providers using INCISIVE increase their billed RVU's per case by an average of 17.01% with a median increase of 19.53%. Thus, providers using INCISIVE see the billed work per case increase substantially.



Average RVU increase for Providers was 17.01%.

In addition to increasing the average RVUs billed per case, CrossCurrent was also interested in determining whether providers who used INCISIVE were able to increase revenue on a per case basis. A higher, average payment-per-case demonstrates that the quality of the coded claim and supporting documentation provided via INCISIVE, results in more complete payment of the services billed. If INCISIVE is successful in increasing average payments overall, then the rise in payments should be larger than the rise in average work billed per case.



Average Payment Increase for Providers was 29.89%.

INCISIVE’s success was dramatically demonstrated by the results, as average payments increased 29.89% with the median increase of 27.63%. In sum, participants saw significant gains in revenue because they were able to:

1. Bill more work per case
2. Assure claim’s correctness, accuracy, and conformance to payer’s rules
3. Have more claim lines paid, and more paid at the maximum allowed
4. Hold payers accountable for proper payment by recognizing and appealing under payments

In practical terms, INCISIVE enabled participants (both surgeons and their staff) to accurately bill for all the work they performed and to ensure they were fully paid for the work they billed. Individual providers’ results are listed below.

State	Provider	Average RVU Increase	Average Payment Increase
IL	Dr. A	19.53%	36.22%
IL	Dr. B	25.09%	25.57%
WA	Dr. C	8.38%	20.21%
OR	Dr. D	5.70%	27.63%
TX	Dr. E	26.36%	42.06%
Median gain		19.53%	27.63%
Average gain		17.01%	29.89%

## Summary

Regardless of location, size or technological sophistication, even the best run clinics are leaving money on the table. Providers in this study, using INCISIVE, saw an average 29.89% increase in revenue. They realized this benefit because INCISIVE MD helped them plan and code their cases for maximum value and hold payers accountable for proper payment. With INCISIVE, providers ensure no money is left on the table.