

▶ CASE STUDY: Coding Technology

Mercy Merced Medical Center Merced, CA

- 174-bed community hospital affiliated with Catholic Healthcare West (CHW)

The Situation

- The hospital's census and coding workload was growing, resulting in a continuous coding backlog.

The Solution

- MedQuist's CodeRunner technology to support remote coding and CodeRunner Services to provide credentialed coders.

The Result

- CodeRunner technology has allowed hospital coders to work remotely, and a partner facility now codes some records -- resulting in most records coded within a few days of service.

The Benefits

- Mercy has been able to shorten the time to bill for, resulting in quicker reimbursement. Coders are more productive and morale significantly improved.

On April 1, 2001, Mercy Hospital and Health Services and Sutter Merced Medical Center were combined and became Mercy Medical Center Merced. With this new name came a renewed commitment to the community and a promise to serve their patients with HEART – that is Hospitality, Excellence, Attitude, Responsibility and Teamwork.

Coding challenges met

Loretta Stuart-Edgerton, RHIT, CCS-P, director of Health Information Management (HIM), takes the HEART promise seriously, especially the commitment to teamwork. Mercy Medical Center Merced is a member of Catholic Healthcare West (CHW), a system of hospitals, ancillary facilities, home care and physician organizations in California, Arizona and Nevada.

By 2005, Mercy was experiencing coding backlog – in some cases, it was taking up to three weeks to code records. The hospital's census and coding workload was growing at a time when the number of qualified coders in the market was shrinking. When Stuart-Edgerton needed advise and assistance with HIM coding, she naturally turned to her counterparts at other CHW hospitals. Denise Hunt, M.S., RHIA, manager of Medical Information Management at Sierra Nevada Memorial Hospital, another CHW facility located in Grass Valley, California, suggested that Stuart-Edgerton look at MedQuist's CodeRunner technology and services.

Very quickly, MedQuist was providing coding services to Mercy and the coding backlog was just as quickly eliminated. MedQuist then continued to supplement the hospital's coding employees, ensuring that the coding stayed current. In addition to using the CodeRunner services, Mercy also took advantage of the CodeRunner technology which supports remote coding.

A partnership is formed

In late 2006, Stuart-Edgerton and Hunt were discussing mutual business challenges. Hunt mentioned that her coders improved efficiency because of the CodeRunner technology. This had improved her ability to retain and recruit these valuable employees to the point where she actually had extra coding capacity. At the same time, Stuart-Edgerton coders were being asked to take on coding for additional departments, and Mercy's census continued to increase.

Could MedQuist make this situation work better? Stuart-Edgerton and Hunt contacted the MedQuist team, and within a few short weeks, a new agreement was completed. Both hospitals' information technology departments set up the necessary communication channels so that the coders from Sierra Nevada Medical Center could access coding records and the supporting documentation from Mercy Medical Center Merced.

CodeRunner's built-in security and encryption ensured that patient data remains confidential, and that the appropriate cases are routed from Mercy to Sierra Nevada coders. And, because of CodeRunner's management tools and reports, it is easy for both HIM directors to know which facilities' coders were responsible for coding each record.

In addition to the improved employee and workflow benefits, CodeRunner provided Mercy with a return-on-investment (ROI) in six months and solved our coding backlog problem.

**Loretta Stuart-Edgerton,
Director Health
Information Management**

At Mercy, designated personnel scan pertinent documents and index the records using CodeRunner technology. The coders at Sierra Nevada then log in to CodeRunner and can access these records using a designated user name password.

The importance of coding

One of the major responsibilities of the HIM department is to “code” every patient visit. These codes are assigned by coders who are trained to review patients’ medical records. No matter what the setting -- inpatient, outpatient, emergency department, same day surgery or home healthcare -- or even for an ancillary test in the laboratory, at radiology or other department, patients’ visits have to be coded. Because these codes are used in a variety of ways, it is very important that patient records are coded as quickly as possible, and are accurate and consistent from one coder to another. These assigned codes are:

- Included on claim forms sent to third-party payers;
- Used by third-party payers to determine the amount to reimburse the hospital for their patients’ treatment;
- Needed for many hospital reports to government and accrediting agencies; and
- Used to identify best practices for optimal patient outcomes.

The Sierra Nevada coders have also been given access to Mercy’s hospital information system, Meditech, so that they can enter the diagnosis and procedure codes directly into that system. This significantly reduces the workload for Mercy personnel, and has the added benefit of shortening the time needed to bill for services, since codes are required to send a claim form to third-party payers.

It’s a win, win, win

Both Stuart-Edgerton and Hunt are thrilled with the arrangement. Among the benefits:

- Sierra Nevada has been able to retain and recruit more coders;
- Sierra Nevada, which has a census that fluctuates seasonally, does not have to lay off or reduce their coders hours when census is low, which is a significant benefit for their coders’;
- Both hospitals report that their coders are much happier;
- Some Mercy patient records are now coded in 24 hours during the work week, instead of experiencing the previous backlog of up to three weeks;
- Mercy patients and third-party payers can be billed for services provided faster than ever before, which results in faster payment; and
- Mercy coders are now available to code for several new services and procedures offered by the hospital.

In addition to all the employee and workflow benefits resulting from this business teamwork, Stuart-Edgerton reports that she was able to realize a return-on-investment (ROI) in six months.



MedQuist Inc.
Corporate Office
1000 Bishops Gate Blvd., Suite 300
Mount Laurel, New Jersey 08054-4632
www.medquist.com
800-233-3030

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