



## Revenue Cycle Management Critical to Success at Golden Ridge Surgery Center

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When Phillip Perez, CASC, of Health Inventures, LLC., arrived at Golden Ridge Surgery Center in July 2001, the physicians who owned and operated the year-old surgery center were facing some challenges. Although business was booming at the Golden, CO-based ASC, which specializes in Orthopedic and Pain Management procedures, unnecessary administrative costs, less than optimal coding practices and a poorly managed revenue cycle were threatening the center’s future.

With Perez and Health Inventures, Golden Ridge Surgery Center forged an unbeatable partnership. The center’s world-class surgeons were now free to focus solely on clinical matters, while Health Inventures, a firm with a proven track record in financial solutions for surgery centers, took over the administrative functions. Perez’ expertise led him to focus initial efforts on better controlling the center’s revenue cycle, and he set to work on an overhaul of all documentation and coding, billing, collections and receivables processes.

His search for solutions ultimately led Golden Ridge to implement Orthopedic and Pain Management procedure documentation and coding compliance software by Minneapolis-based ProVation® Medical. The software enables the center’s surgeons to create highly detailed multimedia operative notes, while simultaneously coding the procedure – solving many of the center’s financial problems by directly linking them to their clinical causes at the point of care.

## CASE STUDY

# GOLDEN RIDGE SURGERY CENTER

### IDENTIFYING THE PROBLEMS

The financial challenges that Golden Ridge was experiencing were nothing new to Perez – he had seen and corrected them at countless other surgery centers during his time with Health Inventures as their Business Office Operations Consultant. To begin, Perez identified problem areas, delays and wasted administrative costs. What he found:

- **Expensive and error-prone transcription:** Golden Ridge was spending upwards of \$8,000 per month on transcription – yet quality still suffered. “Every time there was a turn-over in transcription, I knew it without being told,” recalls Perez. “The quality was off – we’d get reports matching the wrong patient with the wrong doctor, or the wrong procedure. We had to wait at least two days just to receive transcribed reports – and then our in-house coding specialist spent a great deal of time correcting these errors.”
- **Inefficiencies of the “paper chase:”** The center was also wasting time and money just managing all the paper documentation they created. Transcription reports had to be printed and then copied – often in duplicate – for both billing processes and inclusion in a paper chart. Every day, one of the OR nurses had to manage an entire cart load of the latest charts requiring physician signatures for finalization and billing. Small steps, perhaps, but when added up they took a toll, creating additional costs, delaying payment and creating inefficiencies in staff time.
- **Incomplete documentation:** Because of insufficient documentation, the center was losing significant time between the date the transcribed report was received and the date the actual bill was generated. Coding rules are complex and ever changing, and most physicians are unaware of specific detail that a coding specialist needs to bill correctly for procedures. As a result, Cherie Sutton, the certified coder who oversees the center’s billing operations, spent a great deal of time simply chasing down clinicians for the information required to drop a bill.

### AN INNOVATIVE SOLUTION

Today, Golden Ridge is a thriving financial and clinical ASC success story. The partnership with Health Inventures, combined with what Sutton describes as a revamping of internal processes and “the hard work of several very dedicated individuals” have proven extremely beneficial. So too has an unexpected technological solution.

Perez, an experienced coder, had no problem recognizing that quite a few of Golden Ridge’s “back-end” problems were stemming from front-end errors and omissions in the center’s original procedure documentation. He was also intent on eliminating inefficiencies and extra costs – especially his monthly transcription bill.

Together, Perez and Dr. Eric Stahl, President of Golden Ridge Surgery Center, championed the implementation of ProVation® MD procedure documentation and coding compliance software. The software enables the center’s 25 surgeons to create image-enhanced notes and coding reports for the approximately 6,000 cases they perform annually. By linking clinical terminology with the right CPT/ICD codes and CCI Edits, the software produces coder-ready procedure documentation and delivers coding compliance, correct reimbursement and shortened days in accounts receivable.

“I’d always believed that having a coding engine behind a documentation system made perfect sense, but had yet to see a system that linked the two,” says Perez. “We looked at this system and saw enormous value in terms of coding compliance and financial efficiency.”

## ELIMINATING COSTS AND DELAYS

The physicians at Golden Ridge began using ProVation® MD in April 2004, and almost immediately, Perez noticed a positive impact on the business office. For starters, he was able to eliminate the \$8,000 he was spending each month on transcription. "Even when I factor in the capital cost for the software and hardware, taken on a monthly basis the cost of ProVation® is \$4,000 less than I was paying for transcription," he says. "That's a pure cost savings of around \$50,000 a year, which means a very fast software system-payback."

By eliminating transcription for all but the most complicated procedures, Golden Ridge has also drastically reduced the delay between the procedure date and the date of actual billdrop. "Previously, we were waiting an average of two days after the procedure for transcribed reports," recalls Cherie Sutton. And her work had then only just begun: "There were some reports – for example, extremely complicated operations with multiple procedures – that I'd spend hours on, just trying to decipher the transcription and code correctly," she says.

With the ProVation® software, rather than starting from scratch and coding from insufficient documentation, she is now presented with and reviews a set of preliminary ICD and CPT codes and CCI edits, all supported by accompanying documentation.

## COMPLIANT CODING – AND FASTER PAYMENT

Gone, too are the days where Sutton could spend a week or more chasing a doctor for the information she needed to code properly. Because the software drives surgeons to capture all the detail required for compliant coding and proper reimbursement, this time-consuming step has been all but eliminated. This means faster bill-drop, and a more efficient use of her time. And both she and Perez feel more comfortable with the surgery center's overall coding compliance.

"Overall, coding has gotten faster," Sutton attests. "Sometimes the way a doctor uses the software necessitates hand-coding. Sometimes a case is extremely complicated and I'm more comfortable hand-coding. But even those cases are easier to do than they used to be, since the source documentation is more complete and the necessary detail has been included."

Because procedure documentation is now completed and coded so much faster, Perez has seen a positive impact on his revenue cycle. "Whereas before it took 6 – 8 weeks, I'm now getting paid on most electronic claims within a month of the procedure date," he says. "That means if a procedure is done at the beginning of the month, I can actually see reimbursement within the same calendar month. That's a huge improvement over our previous turn-around time."

■ ProVation® MD

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**Patient Name:** T Jackson      **Gender:** F  
**Procedure Date:** 1/03/2008 07:40:00      **MRN:** 6516905681  
**Date of Birth:** 12/26/1972      **Age:** 35  
**Account #:** 122672      **Note Status:** Finalized


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**CPT® Code(s):**  
64483, LT, Injection, anesthetic agent and/or steroid, transforaminal epidural; lumbar or sacral, single level  
64484, LT, Injection, anesthetic agent and/or steroid, transforaminal epidural; lumbar or sacral, each additional level (List separately in addition to code for primary procedure)  
77003, Fluoroscopic guidance and localization of needle or catheter tip for spine or paraspinous diagnostic or therapeutic injection procedures (epidural, transforaminal epidural, subarachnoid, paravertebral facet joint, paravertebral facet joint nerve or sacroiliac joint), including neurolytic agent destruction

**ICD9 Code(s):**  
724.4, Thoracic or lumbosacral neuritis or radiculitis  
721.3, Lumbosacral spondylosis without myelopathy  
729.5, Pain in limb  
729.89, Other musculoskeletal symptoms referable to limbs

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**Procedure Images:**



Lumbar Spine: Posterior View

1 L-3      2 Foramen

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E-signed by John H. White, MD  
John H. White, MD  
Signed Date: 01/03/2008 07:59:00  
Number of Attempts: 0  
Note generated on: 01/03/2008

Printed: Jan. 2008. Codes subject to change based on quarterly/annual CPT/ICD/CCI changes  
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#### **BRINGING THE BENEFITS TO MORE CHS SITES**

Of course, no clinical software can deliver on financial claims if physicians don’t use it. And physicians are notoriously reluctant to adopt new technology. Yet the surgeons at Golden Ridge have adapted quite nicely to the change in workflow and routine. In fact, it was Dr. Eric Stahl who, along with Perez, brought the ProVation® software to the attention of the surgeons at Golden Ridge.

A practicing Orthopedic surgeon who is very involved with the surgery center’s financial operations, Dr. Stahl saw immediately both the clinical and financial potential of the software. He too was frustrated with the common and frequent mistakes that came with transcription, and he was ready to step away from the old process and embrace a new way of documenting and coding. “I saw the value of the product, and what a difference it would make in ensuring that our documentation was complete, correct and consistent,” he recalls.

Dr. Stahl is pleased with the software’s overall medical content, although he finds the product lends itself better to some procedures than others. “I do a lot of fairly consistent knee and shoulder arthroscopies, so I use Preferences [the ProVation® feature that allows surgeons to save menus of selections for commonly performed procedures], and I’ve found that this helps a lot,” he attests.

Dr. Stahl feels the decision to implement ProVation® MD was a good one for Golden Ridge’s surgeons and administrators, as well as its patients. “We’re in control of the production and quality of our documentation now, which was not the case with dictation and transcription,” he says. “Overall we’re quite happy – we’d never go back.”