medidal
medical data logistics

UNDERPAYMENT RECOVERY

CASE STUDIES IN EFFICACY

TRANSFER DRG

A Second Review

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OVERVIEW

Medicare underpayments occur when a patient is discharged as a “transfer,” but there is no post-acute care (PAC) billing. This often happens when a patient decides to forego the recommended PAC after discharge. Accurate transfer coding at the time of discharge is difficult, if not impossible, as it requires that the discharge staff know what the patient will do in the future--not merely what the patient is advised- or intends to do.

Unless a specific underpayment audit is conducted for these cases, the revenue loss will persist and continue to grow.

THE CLIENT

The client is a 12-location health system with 3,006 total acute-care beds servicing North Central Texas area and providing emergency care, in- and outpatient services, and catering to various specialty areas as well.

SITUATIONAL ANALYSIS

The health system sought to perform a secondary, four-year retrospective review of Medicare underpayment claims that were examined by their primary vendor specializing in Transfer DRG’s. Health system wanted to validate that their primary vendor was/is maximizing their recoveries in this area.

The health system, using a well-regarded Transfer DRG service currently, understood that the technology being used by the chosen vendor could directly impact the number of eligible claims discovered & paid. It was this insight that led to their decision to engage a new vendor to recuperate claims missed during primary vendor reviews.

SOLUTION

The health system selected Medidal Corporation, an established healthcare technology services company with a track record of success in claims automation and underpayment recoveries. The Transfer Recovery System is the proprietary “intelligent” software Medidal developed to conduct their underpayment reviews quickly & accurately--and importantly, Medidal has always discovered viable underpayment claims that other vendors’ solutions missed and/or are missing.

Additionally, Medidal provides end-to-end process management, ensuring that the cost benefits gained through outsourcing would not reduced due to the use of in-house resources (the “self-service” or “partial self-service” model). The risk of claims falling outside the four year adjustment window also increases if the workflow requires external teams to rely on internal employees, who have other responsibilities to fulfill, to complete the process.

RESULTS

Medidal conducted a comprehensive review of 100% of Medicare discharges between December 2009 and March 2013.

In addition to those eligible claims Medidal found already adjusted during the primary vendors review, Medidal further discovered claims that resulted in over $500,000 in reimbursements to the health system--dollars that would have been lost if the health system had not engaged Medidal for a secondary review. The health system is in talks to restructure their relationship on a go forward basis.

Medidal operates on a contingency-based fee schedule.

ABOUT MEDIDAL

Medidal Corporation is a healthcare technology services company that offers revenue cycle solutions existing healthcare systems were not designed to accommodate. Over the past 10 years, their “intelligent” software algorithms and compliance & insurance expertise have resulted in an innovative suite of product offerings that are best in class.

Medidal has electronic transaction capabilities for Medicare and Medicaid in all 50 states and the District of Columbia. The engineering team practices agile development methodologies, which coupled with rigorous industry & standards monitoring, ensures their Transfer Recovery and Eligibility products remain on the cutting edge of technological innovation and automated revenue cycle solutions.