



Bill Dunbar and Associates



# **Five Common Mistakes in Managing Emergency Department Reimbursement and Cash Flow for your Facility Component**

---

White Paper | March 2021



**[www.billdunbar.com](http://www.billdunbar.com) | 800.783.8014 or 317.247.8014**

2629 Waterfront Parkway East Drive, Suite 350  
Indianapolis, IN 46214

## The Common Mistakes are...

### 1<sup>st</sup> Common Mistake: Facility and Physician Levels.

The 1<sup>st</sup> and Most Important Common Mistake is actually a misconception that the Evaluation and Management [E/M] Level billed by the ED Physician must be the same level as that billed by the hospital for the ED Facility. This is not true. The Physician E/M Level is based on the Physician's documentation according to the E/M guidelines which include the history, exam, and medical-decision-making components. In comparison, the Facility Level is based on documented resources and staff utilized by the department in conjunction with an appropriate coding model such as a point system or intervention based coding system. Therefore, the Physician Level of service does not need to be the same as the Facility Level of service.

### 2<sup>nd</sup> Common Mistake: Facility Coding Model - What's included?

The 2<sup>nd</sup> Most Common Mistake is that the Facility Coding Model is not regularly evaluated to capture all services.

Your Coding Model should be a consistent methodology for assigning an ED Facility Level based on the work performed by the ED staff. An interesting fact is that to this date there are no national standards for

assignment of hospital Facility Levels.

Your Coding Model should correlate with the resources utilized to provide a given service. In summary, the ED Facility code should reflect the intensity of the hospital services that are provided.

### 3<sup>rd</sup> Common Mistake: Staff Education on the Coding Model.

A 3<sup>rd</sup> Common Mistake is the inconsistent interpretation of the Coding Model by the staff. Once the model is developed, are all the staff members accurately and consistently interpreting how the model is being used and is actually intended to be used?

The Coding Model needs to be interpreted and applied in a consistent manner. Therefore, if your billing is being done internally it needs to be interpreted in a consistent manner.



## The Common Mistakes are...

### 4<sup>th</sup> Common Mistake: Documentation of Time-Based Services.

Are you capturing your time-based procedure / service codes?

Even though the Emergency Department E/M Levels (99281-99285) are not based on time, there are CPT codes that are time based. Understanding time for Critical Care and IV / Hydration coding is important to an Emergency Department's revenue capture.

### 5<sup>th</sup> Common Mistake: Chart Reviews / Chart Audits / Education.

The 5<sup>th</sup> Common Mistake for revenue capture is the lack of chart reviews, audits, and ongoing education.

A BDA coding review includes taking a thorough look at the documentation of a particular visit to ensure that the appropriate level of the ED code was billed along with any other billable services. BDA's clients receive chart reviews regularly, followed by the

appropriate education. Again, this is an item that is shuffled to the side because of the hectic daily schedules of running an Emergency Department.

In summary, the BDA program develops a customized approach that addresses each area of opportunity for our clients.



KHASolutionsGroup 

Since there are significant impacts of documentation on coding, BDA **is offering a complimentary preliminary analysis** that will focus on your ED Outpatient CDI. This analysis will contain potential growth opportunities related to your Emergency Department and your Facility setting.

Contact **David Dann or Terri Scales at 800-783-8014 to learn more about BDA's Emergency Department Complimentary Preliminary Analysis.**

**David's email is [dbd@billdunbar.com](mailto:dbd@billdunbar.com) and Terri's email is [ts@billdunbar.com](mailto:ts@billdunbar.com).**