

# Point of View

NATIONAL | VIN4

**UETERRA** | *advancing  
healthcare  
opportunities*  
H E A L T H C A R E

## Optimize Your Revenue

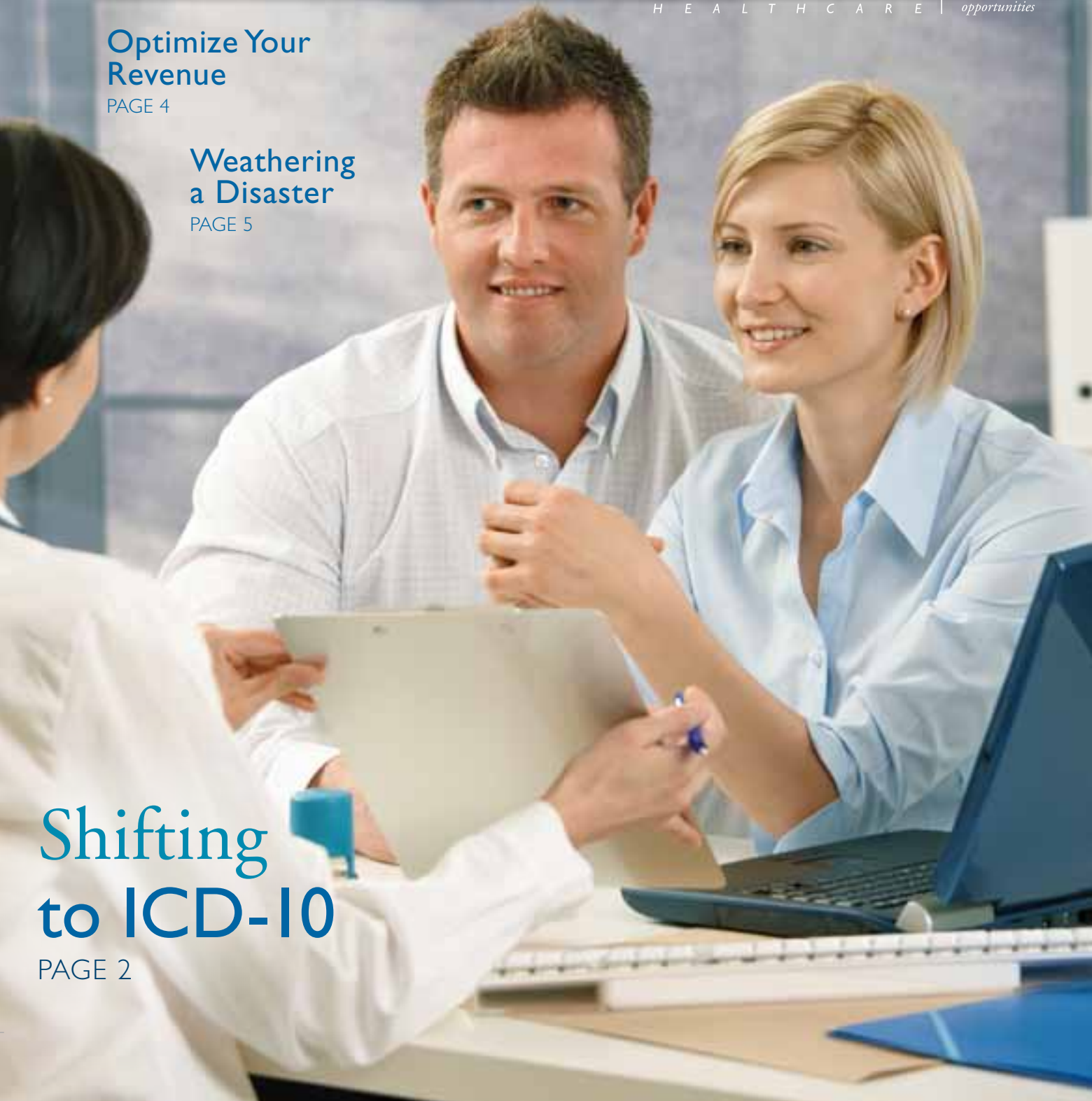
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# Change Is Coming. Are You Prepared?

By October 1, 2013, ICD-9 code sets used to report medical diagnoses and inpatient procedures will be considered obsolete throughout U.S. health care settings, and in their place, ICD-10 code sets will be required.

**ICD-10 CODING IMPLEMENTATION** pertains to everyone covered by the Health Insurance Portability and Accountability Act (HIPAA). Per the Centers for Medicare and Medicaid Services (CMS), there is no extension and/or grace period for ICD-10 upgrade requirements. Therefore, it is imperative that health care providers, hospitals, health care settings, billing services, laboratories, and other organizations have ICD-10 code sets in place by October 1, 2013, as payors will no longer accept ICD-9 codes after this date. If the switch to ICD-10 is not met by that date, claims for services submitted in any other code format, such as ICD-9, will not be paid.

To help Nueterra Healthcare prepare for and carry out the upcoming mandatory changes, Nueterra Healthcare partnered with GENASCIS™, a coding compliance company with more than 30 years of professional coding experience.

“The use of ICD-10 will increase the capability to capture more distinct diagnostic information, improve the coding for mortality and comorbidities, and add to the ability to diagnose symptoms with more accuracy,” said Vickie Sanders, vice president of Business Office Services for Nueterra Healthcare. “By enabling better

extraction of the quality information needed to make clear and definite diagnoses, ICD-10 codes will help us continue to enhance patient safety and care.”

## Understanding ICD-10

The ICD-10 coding system consists of two parts: ICD-10-CM (Clinical Modification) for diagnosis coding and ICD-10-PCS (Procedure Coding System) for inpatient procedure coding. More specifically, according to the Official CMS Industry Resources:

- **ICD-10-CM** is for use in all U.S. health care settings. Diagnosis coding under ICD-10-CM uses three to seven digits instead of the three to five digits used with ICD-9-CM, but the format of the code sets is similar.
- **ICD-10-PCS** is for use in U.S. inpatient hospital settings only. ICD-10-PCS uses seven alphanumeric digits instead of the three or four numeric digits used under ICD-9-CM procedure coding. Coding under ICD-10-PCS is much more specific and substantially different from ICD-9-CM procedure coding.

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CMS explains that the reason for the ICD-10 transition is to improve data specification and collection ability concerning patients' medical conditions and hospital inpatient procedures. This data specification and collection ability is currently limited with ICD-9—a 30-year-old coding system—where terms are outdated and inconsistent with current medical practice. ICD-9 is also limited by the number of new codes that can be created, and in many cases, ICD-9 categories are full and will no longer accept new codes. ICD-9 currently has approximately 14,000 diagnosis codes, whereas ICD-10 has approximately 60,000 diagnosis codes.

## Documentation Basics

Because documentation requirements are critical to ICD-10 coding sets, it's imperative to be familiar with documentation basics.

Medical records should be noted as a completed inventory of a patient's health history—past, present, and future. Other pertinent information that documentations should include are:

- cause of injury
- chronic conditions still under treatment
- documentation of all diagnostic testing
- specific anatomy
- specific diagnosis
- stages of care: initial, subsequent, or sequelae
- tobacco exposure or habits



### Early Education and Preparation Are Key

Because ICD-10 upgrades are mandatory, it's vital that providers, administrators, and payors are educated and aware of upcoming changes while preparing now for what will be required for appropriate documentation to ensure correct ICD-10 code assignment.

“To help educate and assist providers in ICD-10 understanding and preparation, Nueterra Healthcare is hosting a series of webinar lunch presentations based on specialties, which we began in September 2011 with orthopedics,” Sanders said. “We will continue these ICD-10 webinar presentations every other month by specialty. Providers also receive recorded webinar information in the event they are

unable to attend or wish to look back and listen to presentations at a time that's more convenient for them.”

In addition, Nueterra Healthcare has stationed Health Information Management (HIM) directors trained in registered health information administration at each hospital. These HIM directors are responsible for knowing and understanding ICD-10 requirements and are available to Nueterra associates should they have questions or concerns.

“We cannot stress enough how important it is to not wait until the conversion date to begin preparation and implementation,”

Sanders said. “Nueterra Healthcare is here to provide you with the assistance necessary to make this transition as smooth as possible. In addition to staying abreast of these industry happenings and how they will affect you or your practice, we also recommend staging an audit to make certain your practice has the proper ICD-10 codes and to evaluate your charts *before* the due date to ensure accuracy and compliance.”

***For more information about ICD-10 code set requirements, call Vickie Sanders at (913) 387-0608.***

# Realizing Revenue Through Payor Rates

Negotiating payor rates can be a complex process. Nueterra Healthcare utilizes in-depth analysis to ensure each facility stays on track to meet its goals.

WITH MORE THAN 60 YEARS of combined experience, the reimbursement staff works together to find and focus on the best rates for every facility.

“The team looks at each facility and hones in on the key contract opportunities,” said Marty Winslow, director of Reimbursement at Nueterra Healthcare. “Employees use a focused approach to impact those payors who will make the largest financial impact on our facilities. This is accomplished by reviewing every contract to determine if any new opportunity might exist and planning a thorough assessment and review each year.”

*To find out how Nueterra Healthcare can help you realize the best payor rates, contact Marty Winslow by calling (913) 387-0609 or emailing [mwinslow@nueterra.com](mailto:mwinslow@nueterra.com).*



## The Proof Is in the Payment

By considering factors such as competitive dynamics, case mix, payor mix, and cost structure, rates can be increased, equaling more revenue overall.

“Two key initiatives for each year are to target cost-of-living increases on existing contracts and charge master analyses for each facility,” Winslow said. “These two programs have yielded millions of dollars in additional revenue over the years.”

## Discover the in2itive Advantage

Are you looking to improve your company's revenue, reduce costs, and increase cash flow? in2itive Business Solutions has already done just that for many Nueterra Facilities.

### IN2ITIVE BUSINESS SOLUTIONS

offers a variety of services that can not only increase your revenue, but also make your office work flow smoother and your patient relationships stronger.

Services include:

- A/R follow-up
- billing
- claims processing
- coding
- consulting
- denial management
- lost revenue analysis
- payment monitoring
- transcription

“It's often assumed when a surgery center or physician's office hires a billing company that all the financial information is handed over and you never get to see it again,” said Jocelyn Gaddie, director of Business Development at in2itive Business Solutions. “We want you to see us as an

extension of your business office. Access to your office's information is available 24/7, and you set the standard for how involved you want to be.”

### See Results

When in2itive Business Solutions was hired for one Nueterra facility, positive results could be seen in just six months.

- average percentage of collections as a result of lowering days in A/R increased by 33 percent in cash collections
- days in A/R dropped from 51 to 44
- net revenue per case went up by almost 10 percent

“Our goal is to make sure everything is as accurate as possible and that you're not leaving any money on the procedure table,” Gaddie said.

*To find out how in2itive can help your health care facility, visit [www.in2itive.org](http://www.in2itive.org), or call (913) 344-7850.*



# Weathering the Storm

When a monstrous F5 tornado blew through Joplin, Missouri on Sunday, May 22, 2011, destroying everything in its path, Nueterra Healthcare immediately swung into action.

**ALTHOUGH THE TORNADO** uprooted trees, mangled cars, and claimed 116 lives in Joplin, Nueterra Healthcare's partner facility Freeman Health System remained unscathed.

"During the tornado, there were disruptions in our utilities, but we were very fortunate," said Tammy Ham, senior vice president of Operations at Nueterra Healthcare. "We didn't have any structural damage or long-term consequences, enabling us to provide much-needed supplies and services to the community."

Treating approximately 916 patients in the hours and days following the disaster, Freeman Health System remained one of only two fully functioning medical facilities in Joplin.

## Implementing the Disaster Preparedness Plan

Executing specific policies and procedures outlined and practiced in quarterly disaster reviews and drills,

Freeman Health System was performing outpatient surgical procedures within two weeks of the disaster.

"We were in constant communication with Freeman Health System to help them determine what health care services they were able to provide during the Joplin tragedy," said Stephen Hirlinger, group vice president of Nueterra Healthcare. "We also worked with vendors, as well as state and local municipalities, to ensure that our water supply and equipment weren't negatively affected."

Nueterra also supplied the state with appropriate documentation, ensuring Freeman Health System was 100 percent functional.

"We followed our disaster checklist and gathered information from local utilities and structural engineers," Ham said. "Remaining calm throughout chaos, working as a team, and providing a safe haven for patients is something that Nueterra Healthcare takes pride in."

## Supporting the Community

While other health care facilities lost members of their medical staff and patients, Freeman Health System remained one of the lucky few within the community. Freeman Health System's staff and surgeons were able to fill the acute care needs of the community when they needed it most.

"Through Nueterra Healthcare's One5 Foundation, we were able to supply the community with water and cleaning supplies," Hirlinger said. "I would like to applaud the heroic efforts made by our staff and physician partners during the Joplin tornado."

*To learn more about Nueterra Healthcare's partnerships, visit [www.nueterrahc.com](http://www.nueterrahc.com)*

## By the Numbers

The 2011 Joplin tornado was classified as an **EF5** tornado, only the second in Missouri since 1950. Winds of over **200 mph** devastated the area, destroying between **10 and 20 percent** of the city, with expected total costs exceeding **\$2 billion**.





# A Seat at the *Governor's Table*

Dan Tasset, chairman of Nueterra Companies, has been named to Kansas Governor Sam Brownback's Council of Economic Advisors.

**GOV. BROWNBACK ADDRESSED** the need to grow existing industries and develop new business opportunities in Kansas to ensure the State's economic future with the establishment of the Council of Economic Advisors. Tasset was named as one of three experts in health care who will participate in the conversation and influence policy.

"Health care is an important driver of economic growth and job creation," said Brian Levinson, vice president of Marketing & Public Affairs for Nueterra Healthcare. "Dan will bring a unique perspective to the council and be able to offer insight into the more entrepreneurial aspects of health care."

## Leading Innovation

The Governor's Council of Economic Advisors was formed in July 2011. It is comprised of 16 members who represent innovation and leadership in American and Kansas businesses.

Meeting quarterly, the Council will discuss and respond to key events,

such as the release of Kansas' economic indicators or consensus revenue estimates.

"Nueterra is committed to playing an active role in advocacy at all levels of government to ensure the voices of physician entrepreneurs in health care are heard," Levinson said. "We are doing all

we can to ensure health care continues to be an industry of innovation and job growth in the communities we serve."

*For more information about Nueterra in the news, visit [www.nueterra.com](http://www.nueterra.com) and click on "News and Events."*

