

# **\$1,000,000 Revenue Tip of the Month and IRM News**

Presented by Integrated Revenue Management, Inc.

## **Focus**

An IRM client recently identified *over \$510,000 in additional net revenue* related to Epogen injections that were provided but did not meet medical necessity per Medicare Part A. Epogen is a high cost drug (approximately \$124 per single use vial) use.

The Revenue Management Department's (RMD's) identification of the problem, review, action plan, and education led to an improved process, more accurate documentation, and the appropriate increase in net patient revenues.

## **Departmental Areas of Focus**

Dialysis Center

## **Financial Impact**

Over \$510,000 over a five month period.

## **The RMD Discovery Process**

The RMD Code Based Reimbursement analyst identified through a Healthworks report that certain patients seen in Dialysis Center routinely did not meet Medical Necessity. Further follow up revealed that these patients had received Epogen, however the appropriate diagnosis for the drug to be covered was not included on the script.

## **Corrective Action Taken**

The hospital quickly reviewed their processes and determined that many of the patients would have met medical necessity, if only the proper and complete diagnosis had been recorded. The RMD educated the Dialysis Center on the Medicare documentation requirements for drugs based on Part A. The RMD assisted the Dialysis Center in developing a form, to be completed and dictated by the doctors, for all patients that are using this drug.

## **Awareness and Process Impact**

Front-end medical necessity software reports should be reviewed for trends that could signal a broken process. In this case, documentation as well as physician practice patterns.

## **Application to Other Facilities**

Every hospital that performs Dialysis should be aware of the documentation that is required in order to be reimbursed for Epogen under Medicare Part A. Facilities will further benefit by streamlining the process and making it easy for clinicians to supply the documentation needed for accurate reimbursement.

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