

# **RAC at Ground Zero: Organizing and Managing the Internal Hospital RAC Team**

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# Good Samaritan Hospital Medical Center

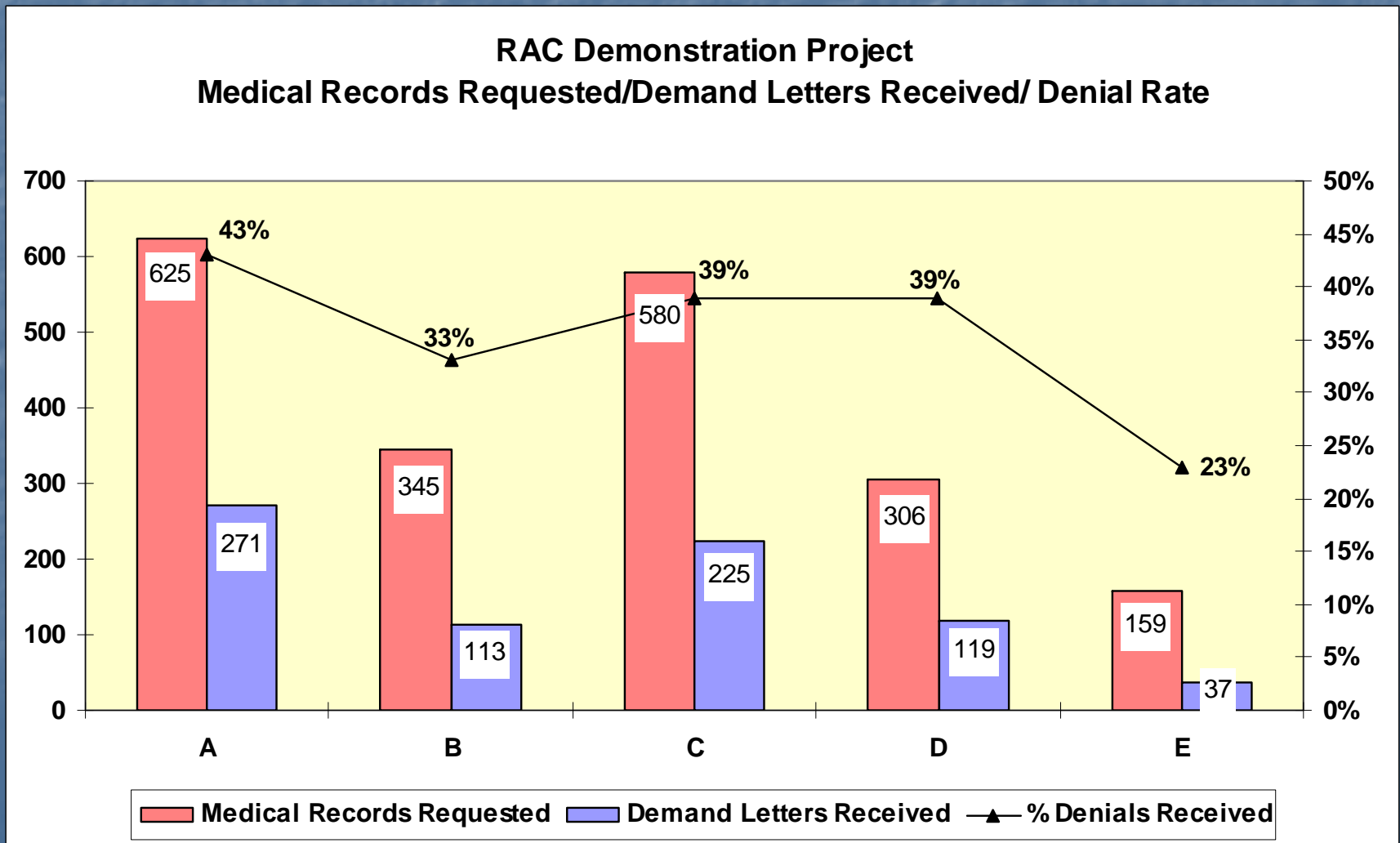
A Member of Catholic Health Services of  
Long Island

A High Acuity High Occupancy Community  
Teaching Hospital with  
437 Beds

8600 Medicare Discharges in 2008

# RAC Demonstration Project

## Medical Records Requested/Demand Letters Received/ Denial Rate



# CHS Top 3 DRG Coding Downgrades

- Debridements – Excisional vs. Non-Excisional
- DRG 076 – Other respiratory OR Procedures with CC
- DRG 475 Respiratory DX with Ventilator Support



# CHS TOP 5 Diagnoses for Medical Necessity Denials

- AICD Implant
- Bladder Procedures (Cystoscopy, TURP)
- Laparoscopic Cholecystectomy
- G I Procedures
- Congestive Heart Failure

# RAC Demonstration Project

|                        | Cases | Initial Denied \$ |
|------------------------|-------|-------------------|
| Total RAC Denied Cases | 266   | \$3,407,615       |
| Coding Issues          | 152   | \$1,471,719       |
| Medical Necessity      | 114   | \$1,935,896       |
| Total Won              | 122   | \$2,024,369       |
| Total Lost             | 144   | \$1,383,246       |
| % \$ Won               |       | 59.4%             |

# Needs Assessment

- The RAC auditor will apply a formula to the Medicare discharges to establish the number of charts to be audited
- Support at Corporate Level
- Support at Hospital Level



# Corporate Level

- Director of Denials Management and Revenue Recovery/RAC Program
- Director of Resource Recovery and Performance Improvement
- Denial Data Analyst



# CHS Process

- All Correspondence to one designated PO Box
- Denial Data Analyst will enter data into RAC TRACKER
- Identify Patterns/Trends
- Monthly/Quarterly/Yearly Reports for 6 Hospital System

# Hospital RAC Team

Administration

Compliance

Business Office

Medical Records

Patient Accounts

Finance

Care Management

Appeals

Physician Advisors

Ad HOC

# Role of Hospital Team

- Meet weekly to discuss new medical record requests
- Discuss Patterns/Trends
- Compliance (Medicare)
- Performance Improvement



# Building a Successful Appeals Team

Hire the Right People for the Right Job





# Building a Successful Appeals Team

## Appeal Nurses:

- Strong Clinical Experience
- Knowledge of Insurance and/or Hospital Case Management
- Good Organizational Skills
- Great Critical Thinking Skills
- Highly Motivated to Meet Deadlines
- Strong Analytical Skills
- Ability to Work in a Team Atmosphere
- Efficient Computer Skills

# Building a Successful Appeals Team

## Physician Advisors:

- Excellent Interpersonal Skills
- Clear & Concise Written Skills
- Strong Clinical Experience
- Good Organizational Skills
- Urgency to Meet Deadlines
- Understands Denial Data
- Ability to Work in a Team Atmosphere
- Computer Skills
- Participates in UM Committee
- Ongoing Communication with Peers Internally/Externally
- Education of Attending Physicians



# Building a Successful Appeals Team

## Appeals Support Staff:

- Insurance and/or Hospital/Medical Experience
- Detail-Oriented and Strong Organizational Skills
- Up-to-Date Computer Skills
- Good Interpersonal/Communication Skills
- Ability to Work in a Team Atmosphere



# How We Decide What to Appeal

## Daily Meeting:

- Denial Management Team meets to discuss all new denials

Team members include:

- Appeals Team
- Physician Advisors
- Care Management Directors
- Corporate Denials Team
- Social Work Supervisor
- Business Office Representatives



# How We Decide What to Appeal

## (Cont'd)

- All RAC denials are reviewed by the Denials Management Team to establish that Medicare guidelines for inpatient care were met
- Previously appealed RAC denials are discussed to determine the next appropriate course of action

# The Appeal

- Time is of the Essence: All Denials are Appealed Within the Required Timeframes
- Diligent Follow-up and Communication Are Essential Throughout All Levels of the Appeal Process
- All Appeals From QIC Level & Above are Written with the Physician Advisor and the Attending Physician
- Physician Advisor and Attending Physician Actively Participate in All ALJ Hearings

# Database Management

- Maintaining the Database is Critical to Ensure that Timeframes for the Appeals are Met
- The RAC Database Allows Reporting of How the Hospital is Impacted Financially.
- Denial Reasons are Tracked and Trended



# QUESTIONS?

