# Optum

# **Emergency Department Claim Analyzer - Facility**

The cost of emergency department (ED) visits is rapidly rising, with ED spending per visit increasing 98% over the past few years.<sup>1</sup> In parallel, the number of high-severity ED visit levels (HCPCS 99284 and 99285) is escalating, while low-severity ED visit levels (HCPCS 99281 and 99282) are declining.<sup>2</sup> These recent dynamics have left health plans struggling to control growing emergency outpatient facility cost. Further, no national standard methodology exists for applying emergency department visit-level coding, which can result in inaccurate billing.

### Ensure appropriate ED visit billing levels

Emergency Department Claim (EDC) Analyzer - Facility from Optum helps health plans accurately calculate the appropriate claim visit level for an ED visit. It leverages deep clinical expertise, industry-leading technology and more than 20 years of expertise in determining appropriate visit-level assignments. A series of rules that reviews submitted diagnoses and diagnostic services billed on a claim, EDC Analyzer - Facility assigns a weight to each code and service performed. These weights are then aggregated to recommend appropriate visit levels. Health plans use these recommendations to allow for automatic repricing of the claim, helping to ensure payment accuracy.



Reduce medical spend with consistent and accurate visit-level calculations with EDC Analyzer - Facility

- Realize less than a 2% appeal rate on inaccurate coding
- Experience an average savings of \$250 for facility evaluation and management (E/M) due to accurate coding
- See an estimated PMPY savings of \$8-\$12

### How it works



#### Step 1

#### Standard weight

Based on presenting problems as defined by the ICD-10 reason for visit diagnosis codes



Step 2

#### Extended weight

Based on intensity of the services workup as measured by the diagnostic CPT<sup>®</sup> codes



Step 3

#### Patient complexity weight

Based on complicating conditions as defined by the ICD-10 principal, secondary and external cause of injury diagnosis codes





#### **Calculated visit level**

Visit levels 1–5 corresponding to HCPCS 99281-99285

1. Health Care Cost Institute. ER spending increased 98%, driven by price increases for the most severe cases (2009-2016). healthcostinstitute.org/emergency-room/er-spending-among-the-commercially-insured-continuedto-rise-in-2016-driven-by-the-price-and-use-of-high-severity-cases-2009-2016. Accessed July 31, 2020.

## Consistently apply guidelines to align ED facility costs to visit levels

As there is no national standard for ED visit-level coding, Optum developed the EDC Analyzer - Facility around the 11 general guidelines for coding outpatient facility levels published by the Centers for Medicare and Medicaid Services (CMS). With a uniform and consistent review of submitted ED visit-level codes, EDC Analyzer - Facility can help deliver accurate visit-level calculation, as well as fair and appropriate facility reimbursement for ED services rendered.

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### The advantage of EDC Analyzer - Facility

- More than 20 years of experience determining visit-level assignments for providers
- A defensible solution that follows CMS guidelines, including ensuring the submitted visit level aligns with the evaluation and management (E/M) code descriptor
- High operational efficiency through automation, reducing the administrative burden associated with manual claim adjustments
- Increased medical cost savings through accurate claim payments versus denials
- Controlled spend on higher severity facility outpatient visits
- Market-tested, patented\* technology, as EDC Analyzer Facility is currently reviewing claims in all 50 states

\* U.S. Patent No. 10,417,382 B1 CPT is a registered trademark of the American Medical Association. **To learn more** about how EDC Analyzer - Facility can help you ensure accurate ED visit-level coding, please contact us.

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