

OBHG CASE STUDY HOW OBED ACUITY SCORING CAN IMPACT A HOSPITAL'S REVENUE



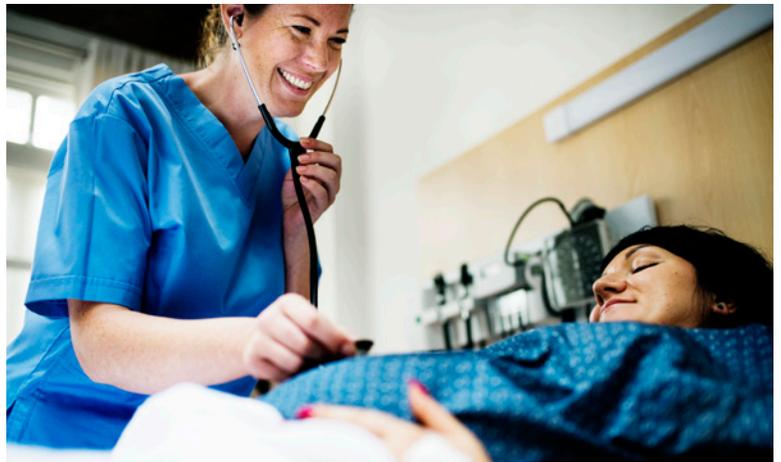
BACKGROUND

Acuity Tools Gauge Resources Consumed Per Patient Encounter

The need to have the right tool for the right job is pretty basic. Just try to turn a flat head screw with a Phillips head screwdriver and see the kind of results you get. That's the very simplified premise behind a recent analysis of Obstetric Emergency Department (OBED) acuity scoring tools being utilized by a sample of Ob Hospitalist Group (OBHG) partner hospitals.

Just like it sounds, "acuity" calculates the acuteness — or severity — of a patient's condition. Hospitals use acuity

scoring tools to weigh the clinical gravity of a patient's condition and rate it on par with the professional time, equipment, and other resources necessary to stabilize the patient. It is a tool intended to ensure accuracy in facility fee charges submitted to the patient or a patient's medical insurer. Inaccurate acuity scores can negatively impact a hospital's facility fee reimbursement for services and resources expended.



CHALLENGE

Evaluate Accuracy of Partner Hospital OBED Acuity Scoring

Analysis of facility fee capture among partner hospitals is a value-added benefit of OBHG partnership. The acuity scoring tool is the foundation for how a hospital's OBED charges are calculated and reimbursed based on those calculations, so using the right acuity tool is critical to the OBED's financial success.

"We found that the tools many hospitals are currently using are not accurate when applied to the OBED," OBHG Strategic Projects Engineer Sheila Poteat explained.

"In most cases, they have simply made a few minor changes to the same acuity tool used in their Emergency Department (ED) and tried to make it work in the OBED, but it doesn't do the job very well."

OBHG identified the need to study the types of acuity tools its partner hospitals were using and compare those results with results that would have been possible had they used OBHG's own acuity tool specifically designed for the OBED.

SOLUTION

Adopt a Scoring Tool Developed Specifically for OBEDs

In 2016, OBHG embarked on a multi-year study of OBED acuity scoring and charge data, auditing **600 patient charts from 12 participating partner hospitals** in the first year.

Often, managers at hospitals that establish OBEDs believe they have to use the ED's acuity tool. That is only partially true, according to Poteat. Because OBEDs are licensed under the main ED, they are required to use the same *type* of tool. That doesn't mean the same exact tool. Types of tools include points-based and intervention-based. If an ED uses a points-based system, the correlating OBED also must use a points-based system, but it does not have to match the point ranges assigned to ED trauma care. The points algorithm can be adjusted to most accurately reflect the care provided in the OBED.

The main ED may see anything from car wrecks to gunshot wounds – very high trauma events. On the main ED scale,

something of this nature could be scored between **250** and **500** points. OBED acuity rarely reaches that scale. Therefore, the ED scale and the OBED scale would be very inconsistently applied, basically comparing apples and oranges.

Based on the results of the facility fee study and on experience in over 100 hospitals, OBHG has developed a proprietary acuity scoring tool that appropriately and accurately scores OBED visit levels. The OBHG tool is comprehensive, listing more than 40 obstetrics-specific interventions, with each assigned an appropriate number of points. The points then are tallied and charged based on six **E&M** (Evaluation & Management) code levels.

Presented with their scoring results, hospitals that are using an ineffective tool often adopt OBHG's tool and realize greater revenue opportunity.

OBHG found that the partner **hospitals studied forfeited an average of \$215,000 in annual facility fee revenue** by using a poorly scaled tool for their OBED, and 65% would benefit from switching to the OBHG tool.

RESULTS:

Hospitals Using an Inaccurate OBED Tool Missed \$215,000 in Revenue Opportunity

OBHG found that the partner **hospitals studied forfeited an average of \$215,000 in annual facility fee revenue** by using a poorly scaled tool for their OBED, and 65% would benefit from switching to the OBHG tool.

"When hospitals don't score visits accurately, they leave a lot of money on the table," Poteat said. "Those who are using our tool have seen their average acuity go from a 2.5 or 3.0 to 3.5 or higher. Some hospitals were coding the majority of their OBED visits as Level 1s and Level 2s,

the equivalent of a visit to urgent care. The average OBED acuity benchmark is a 4."

The results in the first year of this ongoing study were so powerful that OBHG's proprietary acuity scoring tool is now included in all onboarding hospital packages, and partner hospitals are encouraged to use it. The OBHG tool can also be customized and adjusted as needed to fit the practice patterns and patient populations of partner hospitals.



For more information call 800.967.2289
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