

## Claims Edit System for Facility Claims



Facility claims comprise up to 20 percent of the typical payers' claims stream, but most are currently not edited for accuracy and for using appropriate rules specific to facility guidelines. With the Optum<sup>®</sup> Claims Edit System<sup>®</sup> for Facility Claims, payers can automatically review and catch errors, omissions and questionable coding relationships for commercial, Medicaid and Medicare claims.

# Powerful claims editing technology for inpatient and outpatient facility claims

With the Claims Edit System for Facility Claims, you can:

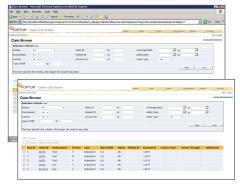
- Boost accuracy with a unique rules engine that supports various contractual policies and methodologies
- Tailor the application by facility, employer, and by line of business
- Customize the software's editing logic with a unique rules creation manager to support user-defined rules and contractual reimbursement policies and methodologies
- Catch potential overpayments before an APC or DRG is assigned and payment is rendered
- Improve communication with facilities and minimize the impact of potential inquiries and appeals with system rule sources and disclosure statements
- Build strong relationships with technology that integrates with published CMS regulations and guidelines and provides transparency into edit rationale

Medical necessity edits are also provided to help payers detect procedures billed without supporting diagnoses or not medically necessary based on local and national coverage determinations (LCD/NCD).

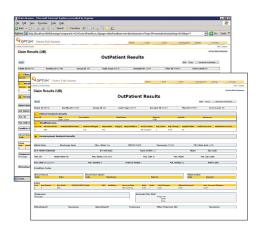
With this powerful facility claims editing system you can streamline claims processing workflows, reduce reimbursement errors and improve payment integrity.

### Proprietary technology to maintain compliance

Optum's proprietary technology enables our clinical experts to research and rapidly build rules. These new rules are delivered as part of quarterly content updates to ensure regulatory compliance and accurate claim editing (or more frequently to support high-priority regulatory updates).



The claims browse screen allows users to drill into a claim and review the overall disposition.



Appropriate claim data elements are presented in the claims results screen. Users can view the original claim line, the analysis results, and the lines that were modified according to various business rules.

## Edit compatibility with multiple payment methodologies

The Claims Edit System for Facility Claims offers an expanded database containing millions of facility-based rules sourced from Medicare Outpatient Code Editor (OCE), Medicare Code Editor (MCE), National Correct Coding Initiative (NCCI) and LCD/NCD guidelines. Rule sets are also available to support various Medicare reimbursement methodologies such as Medicare Advantage.

Powerful rules engine easily modified by users

The unique rules engine allows health plans to customize the software's editing logic to support user-defined rules and reimbursement policies for facility claims. Users can create auditing logic, and turn rules and edits off and on as necessary. All edits are applied using date-sensitive auditing so that appropriate edits are applied based on the date the service was rendered. Users can also define the sequence in which rules are applied and can define the level of automation for denials, profiling and claims requiring additional review.

More than 75 payers use Optum

claims processing workflows, reduce

reimbursement errors and improve

for claims editing to streamline

payment integrity.

The rules management screen enables users to access and dynamically configure user-defined and system rule sets.

The rule set detail screen allows users to directly access Medicare facility rule sets. Individual rules can be prioritized and the disposition can be flagged.

#### **Outpatient edit examples:**

#### Data validity edits

- Invalid diagnosis codes
- Diagnosis code requires additional digits
- Diagnosis to age or gender conflict
- E-code as reason for visit
- Invalid CPT\*/HCPCS code
- · HCPCS to gender conflict
- Invalid modifier, service date, age, gender, units, revenue code

#### Medical necessity edits

- No supporting diagnosis
- Not medically necessary for this age or gender
- Missing appropriate secondary diagnosis
- Missing appropriate associated procedures

#### **Coding issues**

- Inappropriate coding of bilateral services
- Evaluation & management (E&M) with surgery without modifier 25
- Claim contains only incidental services
- Terminated procedure with units >1
- Multiple E&M services with same revenue code on same date
- Revenue center requires HCPCS
- Implantable device without surgery

#### Inpatient edit examples:

- Invalid diagnosis code
- Diagnosis code requires 3rd or 4th digit
- Invalid procedure code
- Secondary diagnosis duplicates the principal diagnosis
- Diagnosis/procedure conflicts with patient age or sex
- Invalid principal diagnosis
  - Manifestation
  - Non-specific
  - V-codes
  - E-code
- Invalid age, sex, discharge status

Claims Edits System (CES) was formerly known as iCES.

CPT is a registered trademark of the American Medical Association.



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