

## Community Health Network Decreases Lost Drug Charges by 40% with Anesthesia Management Solution

### At a Glance

#### Organization

Community Health Network  
Indianapolis, Ind.

- 5 hospitals
- 12 surgery centers
- 1,442 beds
- 43 OR suites
- 106,336 surgical visits/year

Indiana Surgery Center  
Noblesville, Ind.

- 3,100 surgeries/year

#### Solution Spotlight

- Horizon Surgical Manager™
- McKesson Anesthesia Care™

#### Critical Issues

- Lost revenue due to manual anesthesia drug capture process
- Time-consuming anesthesia coding process missed comorbid conditions
- Returned patient claims required additional documentation for billing
- Lack of drug contraindications alerts and awareness

#### Results

- Improved patient safety through ADE prevention and automated vital sign capture
- Streamlined pre-anesthesia evaluation process
- Decreased lost anesthesia drug charges by 40%
- Increased revenue from greater detection of ASA modifiers and comorbid conditions
- Increased reimbursement through accurate ICD-9 code capture

Indiana's Community Health Network ranks among the nation's top 20 integrated healthcare networks. Faced with declining revenue, Community Health Network sought to boost finances while building an electronic medical record.

After implementation of McKesson Anesthesia Care™, McKesson's comprehensive anesthesia management system, Indiana Surgery Center increased comorbid documentation, reduced claim rejections and decreased lost anesthesia charges by 40%.

#### Challenge

Indiana Surgery Center's manual drug capture process needed improvement. As drugs were dispensed, the anesthesiologist noted the dosage on both the patient's record and a separate drug charge sheet for pharmacy. The drug was never charged for if the second step was omitted.

Before implementing McKesson Anesthesia Care, 4% of the Center's first claim submittals were returned due to incomplete documentation, requiring hours of record validation. While this figure was lower than the national average – at 19%, anesthesia charges have the highest rejection rate – Indiana Surgery Center wanted to eliminate rejected claims.

#### Answers

After implementing McKesson's surgical system, Horizon Surgical

Manager™, improvements began. During patient assessment, a preoperative nurse completes a comprehensive checklist with the patient, entering physical history in the surgery system, which is integrated with the anesthesia management solution.

McKesson Anesthesia Care populates the corresponding ICD-9 codes and specifies comorbid conditions requiring a higher level of care. The system also registers ASA modifiers, such as BMI and age extremes. The provider can accept or reject these codes before sending data to the billing system.

"ICD-9 codes assigned at bedside allow us to assign a diagnosis-related group (DRG). As the patient's acuity rises, the DRG assignment changes. By accurately capturing ICD-9 codes, we gain the maximum reimbursement," says Dr. Gregory Bray, medical director, chief of anesthesia, Indiana Surgery Center.

Since the anesthesia management solution is integrated with both nursing preoperative and PACU documentation, anesthesiologists arrive well-prepared. "I review the next patient's record before leaving the current bedside, decreasing time between cases," explains Dr. Bray. "I no longer repeat the nurse's questions, because I've already reviewed the patient's history."

Anesthesiologists now scan all medications prior to delivery, recording the drug type and dosage amount. McKesson Anesthesia Care

# Case Study

*"Since I left residency, I haven't seen a device that can help a provider impact patient safety as much as McKesson Anesthesia Care."*

*Dr. Gregory Bray*

*Medical Director, Chief of Anesthesia, Community Health Network, Indiana Surgery Center*

helps caregivers avoid adverse drug events with a qualified cross-reference process for dispensed medications, including formulary reference for allergies and medications.

"We're very pleased with the real-time, stop-check analysis of meds," says Dr. Bray. "Before, we'd only realize medications were contraindicated after the patient had problems. McKesson Anesthesia Care processes the intricate details of multiple drugs interacting together — giving us a patient safety feature we didn't previously have." This documentation of medication reconciliation helps Indiana Surgery Center meet regulatory body requirements. Drug delivery details are sent directly to their clinical documentation and billing services department.

With the automatic capture of vital signs from physiological monitors, McKesson Anesthesia Care frees anesthesiologists from recording data by hand — allowing more time for patient care. "Since I left residency, I haven't seen a device that can help a provider impact patient safety as much as McKesson Anesthesia Care," notes Dr. Bray.

## Results

Electronic anesthesia documentation and streamlined medication management have greatly improved drug charge capture. Three years after implementation, Indiana Surgery Center realized a 40% decrease in lost anesthesia drug charges. "Because we're reimbursed a percentage for

each account, those losses significantly affected our bottom line. Now, we know we're receiving maximum revenue," says Dr. Bray.

By establishing an automated record for anesthesia, the Center has virtually eliminated claim rejections, leading to faster revenue recognition. Previously, 4% of all patient claims were returned due to discrepancies. That figure has dropped dramatically: in the first year, only two claims were returned.

"Our billing agents need less time to process claims, because they don't have to touch them multiple times," notes Dr. Bray. "The surgeon types the procedure description into Horizon Surgical Manager, and that first-hand account is received by the billing service. McKesson Anesthesia Care captures actual surgery start and stop times — everything we need to withstand an audit."

With automated coding, anesthesiologists can review their procedure notes and quickly assign CPT codes. By integrating comorbid coding into the assessment phase, McKesson Anesthesia Care increased the Center's comorbid documentation by 2% over three years.

"I don't mess with paperwork any more," says Dr. Bray. "I can focus on the patient. All I do now is sign my standing orders." With Indiana Surgery Center experiencing such success, Community Health Network looks forward to rolling out the complete integrated anesthesia system across the enterprise.

**McKesson Provider Technologies**

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