

DRG Validation

A Partner of Choice

CGI is a leader in providing innovative business and technology solutions to the healthcare payer industry. Our clear vision and ability to deliver results has made CGI the partner of choice for many BlueCross BlueShield plans, commercial health insurance companies, government healthcare payers and Prescription Benefit Managers (PBMs). Additionally, CGI was selected as the Centers for Medicare & Medicaid Services' Region B Recovery Audit Contractor. Solutions designed for healthcare payers include:

- CAS 5.0 software for comprehensive claims auditing and fraud and abuse detection
- Clinical and compliance auditing
- Prescription benefit claims auditing and analysis services
- Medicare Advantage and Part D services
- Advanced analytics
- Reimbursement consulting and pricing solutions
- Fraud investigation services including special investigative unit outsourcing and co-sourcing
- Complete IT services

DRG MISCODING TYPICALLY ACCOUNTS FOR 80 TO 90 PERCENT OF TOTAL RECOVERY

As healthcare expenditures escalate and the population of healthcare recipients continues to grow, finding new and better ways of managing costs is an imperative. Diagnosis Related Group (DRG) validation plays a crucial role in improving cost-related challenges.

CGI understands the need for a DRG validation process to identify whether the information reported by the hospitals, resulting in a DRG assignment, matches the information contained in the patient's record. For more than 20 years, CGI has audited medical and pharmacy claims for more than 15 million healthcare beneficiaries. Our audits have delivered hundreds of millions of dollars in savings in inappropriately paid claims for customers. Historically, CGI's audit experience has shown that DRG miscoding typically accounts for 80 to 90 percent of total recovery.

DRG Validation Process

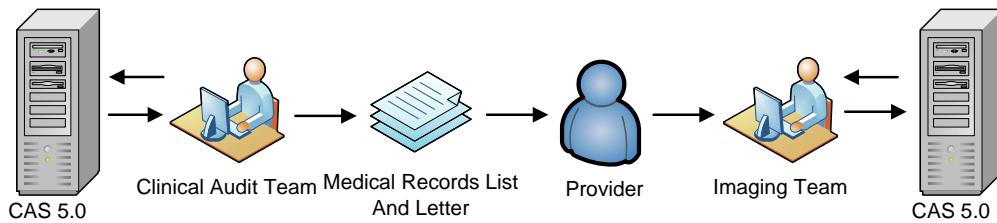
CGI's Customized Audit System (CAS 5.0) edits are designed to identify coding and sequencing errors that impact DRG assignments and are run to provide cases for CGI's clinical audit team to review. Selections can be focused or targeted based on an individual edit, provider or timeframe. From the cases that hit edits, CGI's credentialed coders and nurse auditors select the best cases for review. The auditor will review which diagnosis codes have hit edits for single Complication/Co-morbidity and make the claim selection based on their experience, clinical knowledge, up-to-date coding handbooks, coding guidelines and other sources.

The audit coordinator generates a medical record request list and an accompanying letter by provider in CAS 5.0. The manager reviews the list and requests are then mailed to the providers. Onsite reviews are conducted based on volume of medical records.

As copied medical records are received, they are imaged by CGI utilizing the Hyland Software Inc. OnBase solution. This software can also accept records in electronic format. The images are then integrated into CAS 5.0 and associated with a unique audit number for the case/medical record/patient.

Once the images are integrated into CAS 5.0, a CGI auditor reviews the medical records for DRG validation. The auditor's review is validated by a physician, as needed or required, and the results are reported to the client. Letters to providers are generated from CAS 5.0 and providers are given an opportunity to respond. CGI then sends customized audit reports and claim details for recovery to the client.

DRG Validation Process Flow



CGI is highly experienced in DRG validation, auditing millions of claims including Medicare claims for medical necessity and quality of care for inpatient admission.

Clinical Audit Team

CGI has one of the most seasoned, diverse staffs in the industry and has been providing claims recovery solutions to healthcare payers for more than 20 years. Our expert staff of healthcare professionals has performed audits for state Medicaid agencies, BlueCross BlueShield companies, national HMOs and large carriers and holds credentials including MD, RN, RHIA, CCS, CPC-H, CPC and CMC. This extensive experience has led to the development and refinement of methodologies, processes and software tools, which assist in the identification of claims for audits and the management of the audits themselves.

DRG Audit Training

CGI can design an in-depth, onsite training session to address the DRG or MS-DRG validation process, focusing on the upcoding and miscoding of claims. The program can be customized to meet your needs and objectives.

The Tool

Customized Auditing System (CAS 5.0) – CGI has developed the CAS 5.0 system, a self-contained, turnkey system that provides the assistance and direction needed to conduct a comprehensive audit. CGI uses this system to administer audits, track results and provide recovery audit reports to clients. The Windows-based, web-enabled system allows us to customize the system to your specific reimbursement methodologies.

About CGI

Founded in 1976, CGI is one of the largest independent information technology and business process services firms in the world. CGI and its affiliated companies employ approximately 31,000 professionals. CGI provides end-to-end IT and business processes services to clients worldwide from offices in Canada, the United States, Europe and Asia Pacific, as well as from Centers of Excellence in North America, Europe and India.

For more information, visit www.cgi.com/healthcare or email us at HealthIT@cgi.com.