

Emergency Department Claim (EDC) Analyzer



Between 2009 and 2015, emergency department (ED) spending per member increased by 85 percent,¹ and this trend shows no signs of slowing. Payers are looking for innovative solutions to help control these rising costs. ED facility visit codes range from low severity (1) to high severity (5). Levels 2–3 are declining, while levels 4–5 are on the rise, and this unsubstantiated increase is projected to continue.

The Optum solution

Optum® EDC Analyzer™ harnesses the Optum360® LYNX™ methodology to bring their state-of-the-art technology for visit level assignment from the provider market to the payer market. The EDC Analyzer methodology* reviews submitted diagnoses and diagnostic services billed on the claim to determine the appropriate facility ED visit level. The following steps are taken by the EDC Analyzer:



Step 1:

Determine standard costs based on the presenting problem; assign a cost amount.



Step 2:

Determine extended costs based on the intensity of the diagnostic workup (for example, lab tests, X-rays, CT scans, etc.); add extra costs as needed.



Step 3:

Determine patient complexity costs based on complicating conditions (for example, coming in for a broken arm but needing insulin while in hospital due to diabetes); add extra costs as needed.



Step 4:

Determine visit level (1, 2, 3, 4 or 5) based on comparing the total cost to thresholds; recommend a procedure code for the claim.

LEVEL 1 (99281 and G0380):

Used for self-limited or minor presenting problems



LEVEL 2 (99282 and G0381):

Used for low- to moderate-severity presenting problems



LEVEL 3 (99283 and G0382):

Used for moderate-severity presenting problems



LEVEL 4 (99284 and G0383):

Used for high-severity presenting problems that require urgent evaluation but do not pose a threat to life or physiologic function



LEVEL 5 (99285 and G0384):

Used for high-severity presenting problems that pose a threat to life or physiologic function



EDC Analyzer adheres to the 11 general guidelines for coding outpatient facility visit levels published by the Centers for Medicare and Medicaid Services (CMS). Guideline examples include meeting HIPAA requirements, being based on hospital facility resources (not physician resources) and being applied consistently across patients in the clinic or ED to which they apply.

Support tools

Optum® provides four support tools to make implementing and using the EDC Analyzer as seamless as possible for both payers and providers.

- 1. Appeals worksheet:** This worksheet can be sent to a provider to help explain why a certain visit level was assigned by the EDC Analyzer for a claim.
- 2. Definitions manual:** This manual assists the payer in responding to any inquiries they may get from a provider. It outlines the methodology used for assigning visit levels in great detail.
- 3. Informational website (edcanalyzer.com):** This website outlines the methodology used by EDC Analyzer for assigning visit levels. It provides claim examples as well as an interactive tool which can be used to test the functionality of the EDC Analyzer in real time.
- 4. Sample reimbursement policy:** This reimbursement policy document was drafted by Optum medical directors and can be used by a payer or supplemented with additional payer-specific policy language when notifying the payer's provider network of their upcoming implementation of the EDC Analyzer.

Realize long-term results

Optum EDC Analyzer helps providers bill facility ED claims correctly, while helping payers pay correctly. We deliver a reduction in facility under-coding and up-coding as well as fair and appropriate facility reimbursement for ED services rendered. Making accurate ED visit level coding a priority will help you improve your medical loss ratio, reduce medical spend, and decrease administrative expense.

Sources

1. Health Care Cost Institute. ER spending increased 85%, driven by price increases for the most severe cases (2009–2015). healthcostinstitute.org/healthy-bytes/. Accessed April 12, 2018.
2. Ibid.
3. New England Healthcare Institute. How many more studies will it take? A collection of evidence that our health care system can do better. nehi.net/writable/publication_files/file/how_many_more_studies_will_it_take_introduction.pdf. Accessed April 12, 2018.

*Patent pending



FROM 2009 TO 2015, the number of visit level 4s increased by 20%, while the visit level 5s increased by 10%.²

40% OF ALL ED VISITS are for non-emergent conditions.³

Learn more about how Optum EDC Analyzer can help you reduce medical spend.

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