

4/23/01

### **Remote Coding: A Staffing Solution**

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**Leslie:** Happily, "spring has sprung," but summer vacations are looming for health information management (HIM) directors and coding supervisors who must maintain coding turnaround targets. Our HIM colleagues are working harder than ever to formulate staffing solutions to avoid coding backlogs and the resulting increase in accounts receivable.

**Patty:** Yes, with coder shortages continuing, HIM managers are seeking creative ways to get their coding done.

Remote coding is one option that HIM professionals are considering as a long-term solution to the chronic problem of recurrent backlogs. The wisdom of remote coding is that it increases the pool of coders available to hospitals to perform the coding function. However, it is not necessarily the entire solution. The challenge is for HIM directors to include remote employees or remote third-party coding services into a larger, more comprehensive coding staffing plan to achieve coding turnaround targets consistently.

**Leslie:** In last month's column, we talked about the importance of doing a complete analysis of the coding function. An operational review or needs assessment is a first step in developing a long-term strategy for year-round stability in the coding area. Perhaps a more in-depth description of this process would be helpful to our readers.

**Patty:** This review includes a description of the workflow, processes and tools used as well as current productivity by record type.

I start with a spreadsheet detailing the number of patient discharges and encounters that administration has projected for the year. It tells me how many records and what type of records need to be coded for an entire year. Then I take my coding productivity data and translate the number of records by type into the number of coding hours needed to code the records projected. If the hospital tends to experience significant fluctuations in workload during the year, I suggest distributing the data by month.

**Leslie:** So let me see if I follow you. The first column is numbers of projected records by type; the second one is number of hours needed for performing the tasks (coding, abstracting, data entry) in the coding function.

Then, in the third column, you can specify how many coding hours you will have available if all of your budgeted staff positions are filled for the year. Be sure to subtract vacations, sick days and time for continuing education from the hours available for coding.

**Patty:** Now comes the tricky part. How do you project number of budgeted positions that won't be filled and for how long won't they be filled?

**Leslie:** History has a way of repeating itself. One way to estimate the hours needed but that couldn't be covered by regular staff is to determine for the past 12 months the number of hours of overtime and temporary staff that were used for coding. Divide that number by the hours of work that were needed to calculate the percentage of regular hours you were short. Alternatively, you could use the difference between regular hours actually worked and hours needed and calculate the percentage. In either case, apply the percentage to your projections for the next 12 months to estimate the minimum number of hours that should be allocated to a remote coding solution.

**Patty:** I think we need an example here. Please see the accompanying table.

**Leslie:** OK. The table displays a staffing plan analysis based on the following scenario:

A hospital has budgeted for five full time equivalents (FTE) to code 8,000 inpatient discharges, 26,000 emergency department records, 15,000 ambulatory surgeries and 40,000 outpatient registrations projected for the coming year. The regular full time staff has two weeks vacation, six sick days, and six holidays a year, and 25 hours of continuing education. The hospital's hourly productivity standard is three and a half inpatient records, 15 emergency records, 10 ambulatory surgeries, and 20 outpatient registrations. We assumed seven hours of actual work time per day/FTE, considering breaks and administrative activities. This assumption results in one FTE = 1,641 hours per year.

During the past year, the department had some turnover in coders creating vacancies for several months, below standard productivity during training time for new coders, and a maternity leave for yet another coder. These situations resulted in the department paying for 2,952 hours of temporary services and overtime.

**Patty:** I see. They experienced the typical things that come up over the course of a year that result in episodic backlogs in coding and periods of time when accounts receivable spike up.

**Leslie:** Right. Crisis management of the episodic backlogs is difficult. Regular staff cannot always work overtime. Most temporary coding companies are fully booked several weeks out. So HIM directors are often scrambling for help, working with multiple contractors and hiring people that require a lot of training, while fending off the patient accounts manager who is drowning in unbilled accounts. It isn't a pretty scene.

**Patty:** For a comprehensive staffing plan built to avoid recurrent backlogs, the director can compute the percentage of hours not likely to be covered in the next 12 months (based on past experience) and consider implementing a remote coding solution as part of her total staffing plan. The intent is to meet staffing goals by accessing coders who need or want to work at home.

In the example Staffing Plan Analysis in the accompanying table, we also gathered the information needed to project staffing by record type.

**Leslie:** Why do you do this by record type?

**Patty:** I do it by record type for two reasons. First, the complexity of coding and reimbursement rules today has resulted in some specialization of coders between inpatient and outpatient coding, as well as among different types of outpatient cases.

Second, if the director plans to do some coding in-house and some remotely, she needs to organize the work for easy distribution. Distributing outpatient records is often the easiest place to start. Many hospitals already have some of their outpatient records in an electronic form, which makes providing access to the records by

remote coders easy to implement. If the director plans to use a scanning or Internet-based solution, it is more efficient to scan outpatient records than inpatient records because of the record size.

**Leslie:** In the example Staffing Plan Analysis, the final plan includes a recommendation to allocate at least 1.8 FTEs of the budgeted five FTEs to work remotely. These FTEs can be employees of the hospital, or the director of HIM can retain a third-party staffing company that offers remote coding solutions. In either case, the remote coders can be assigned to code a range of patient types as shown in column F, or to be more efficient, they can code all of the emergency department and ambulatory surgery records.

**Patty:** The important point is that the HIM director and her team have to analyze volumes, record types and the existing systems and resources in-house to conceptualize an efficient way to factor remote coding into their total staffing plan to meet their goals for managing the coding function.

**Leslie:** In some ways it is like solving a puzzle. For many hospitals, the missing piece of the puzzle has been the use of remote resources for fully staffing the coding function.

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*Table*

