

13 reasons your practice should have a medical record audit

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As unpleasant as the task may seem, a medical record audit of your physician practice is akin to the best kind of medicine.

“It’s kind of like giving the flu vaccine to prevent the flu. That’s what an audit is,” said Deborah J. Grider, who has more than three decades’ experience as a practice administrator, medical record auditor, clinical documentation improvement practitioner, and is a sought-after speaker and educator.

An audit “is a preventive measure if done at least once a year,” said Grider, a consultant for Chicago-based KarenZupko & Associates who has written and edited several books, including a 2015 volume published by the AMA, *Medical Record Auditor: A guide to improving clinical documentation in a changing health environment*.

Learn more with the AMA about the eight medical coding mistakes that could cost you, and find the essential coding titles your practice needs for 2021 at the AMA Store.

Grider holds eight different certifications as a professional coder, auditor, instructor and clinical documentation improvement practitioner, and she outlined these 13 reasons why physicians practices ought to have a medical record audit done regularly.

Such audits can help to:

- Determine outliers and focus first in this area.
- Protect against fraudulent claims and billing activity.
- Reveal whether there is variation from national averages.
- Identify and correct problem areas before insurance or government payers challenge inappropriate coding.
- Prevent governmental investigational auditors such as recovery audit contractors or zone program integrity contractors from knocking at your door.

- Remedy undercoding, overcoding, upcoding, unbundling habits, code overuse and documentation deficiencies. Bill appropriately for documented procedures and services.
- Identify payment deficiencies and opportunities for appropriate payment.
- Stop the use of outdated or incorrect codes for procedures or diagnoses.

Drawing on the example of a recent audit to make her case, Grider noted a physician who used modifier 22 routinely when billing for surgical procedures.

“Medicare came back and noted that of 35 cases audited, all had the use of modifier 22. They were looking for a complexity statement in the documentation to support the use of this modifier,” Grider said, that would take note of what required the additional time for interoperative care that would justify the modifier.

The same principle is in play when applying higher levels of service for E/M billing. “We’re asking the doctor to see if the key components are there, and is the level billed medically necessary,” she said.

If that documentation is lacking, then “payers will start withholding payment or you’ll have to pay the money back.”

Learn how to slash your medical coding audit risk.

The upside of audits

Grider notes the potential upside to regular medical record audits. An audit will “also look at lost revenue and underdocumented services,” she noted. Failing to properly document or bill for immunizations, ECGs or other services during outpatient visits are some examples common to primary care.

One time Grider was visiting with an infectious diseases physician who was caring for a very ill patient with a failing kidney and hyperglycemia. The physician was going to admit the patient to critical care that day, yet was unsure at which level of complexity the case should be documented.

“I told the doctor, ‘Yes, this is high because the patient’s life is at risk,’ and the question is how do we document that so it’s evident in the medical record,” Grider said. “A lot of times doctors will think, ‘I do this every day,’ and may not appreciate that it’s a complex patient with a complex problem” and that the documentation and billing should reflect that.

Find out how 2021 E/M guidelines could ease physicians’ documentation burdens.

The AMA has a detailed description of the E/M changes and a table illustrating revisions related to medical decision-making documentation. Also check out these 10 tips to prepare your practice for E/M office visit changes.