

St. Joseph's Health Realizes Double-Digit Drop in Coding Denials with Computer-Assisted Professional Coding Services

CASE STUDY

St. Joseph's Health Paterson, NJ

6,000+ clinicians providing inpatient and outpatient care

Grade "A" for patient safety from Leapfrog

Recognized for excellence including a Beacon Gold Award and ANCC Magnet® and Pathway to Excellence® designations

St. Joseph's Health, a leading health system in New Jersey, provides world-class care through a combination of medical expertise, innovative technology, and compassion. Its more than 5,000 skilled providers and 1,000 expert physicians provide nationally recognized award-winning inpatient and outpatient care through a network of hospitals, physician practices, urgent care centers, and outpatient centers.

St. Joseph's Health and AGS Health formed a strategic relationship to deploy a blended solution of computer-assisted professional coding (CAPC) and outsourced services. The goal was to rapidly transition coding duties from St. Joseph's clinical resources to a dedicated team of coders while achieving technology-enhanced productivity, efficiency, and accuracy.

CHALLENGES

- Medical coding responsibilities combined with clinical labor shortages were distracting physicians from patient care and contributing to clinician burnout.
- It was a challenge for physicians to keep pace with increasingly complex and rapidly evolving coding guidelines.
- Tasking physicians with self-coding caused back-end delays in billing and reimbursement and higher rates of coding-related denials.

Outcomes

- Coder productivity increased by about 40-60%, saving nearly \$200,000 annually in full-time coding resources.
- The CAPC now processes more than 320,000 charts annually with 78% evaluation and management (E/M) coding accuracy.
- Pediatrics coding denial rates decreased from 34% to 8% and primary care denials decreased from 26% to 9%.
- Monthly collections on the current month of billing in pediatrics rose from 36% to 87%.
- Clean claim rates improved from 55% to 66%, or up to 90% if registration and eligibility issues were not a factor.



Change Management Wins Over Key Stakeholders

To overcome physician resistance, transparency was crucial in the transition process. The CAPC system was explained in detail and a transition from the current to future state was illustrated during stakeholder education.



Clinical Sponsorship and Level Setting Expectations

Understanding stakeholder needs and appointing an executive sponsor familiar with clinical and revenue cycle perspectives bridged the communication gap between coders and physicians. Additionally, proactive stakeholder engagement and ample opportunities for questions simplified the transition.



Unexpected CPT Category II Benefits

The blend of CAPC with AGS Health services supports St. Joseph's Health value-based metrics through improved capture of CPT Category II codes. By increasing their capture, the CAPC system makes it easier to evaluate care quality using claims data without requiring manual data extraction.

A Balanced Approach

In 2022, St. Joseph's Health began exploring coding technologies as an alternative approach to professional fee coding with the goal of enhancing coding efficiency and accuracy, reducing denials, and allowing physicians to dedicate more time to patient care.

With physicians' compensation at stake, a clear rationale for coding decisions was essential. The health system chose a blend of CAPC and AGS Health's outsourced services. This approach integrates technology with human oversight, enabling a swift transition of coding duties and enhancing productivity, efficiency, and accuracy.

Learn more about the strategic relationship between St. Joseph's Health and AGS Health in [Healthcare IT Today](#).



“I really like the fact that AGS Health's approach leverages a combination of technology and human input. What really attracted me was the partnership that AGS said they would give us – and they've proven repeatedly that this is a partnership. It's the ability to enhance the CAPC program while knowing that, at the end, there is still a human to verify, to do the eyeball check. That is an undervalued thing in healthcare, and it's so incredibly important for what we do.”

BETH KUSHNER, DO, CCDS, CPCO, CHIEF MEDICAL INFORMATICS OFFICER, ST. JOSEPH'S HEALTH