Streamlining Your Audit Management Process through esMD

Summary

Review contractors issue an estimated 2 million requests each year for medical documentation, according to the Centers for Medicare and Medicaid Services (CMS). Most often, these requests are fulfilled through manual processes that require printing and compiling documentation and submitting it by mail or fax. This fulfillment process can be tedious, cumbersome and risk human error.

A project from CMS—called the Electronic Submission of Medical Documentation (esMD)—provides an automated mechanism for managing various aspects of the claims review process through secure electronic communication with contractors. **The esMD program allows providers and Health Information Handlers (HIHs) to electronically submit required medical records and associated documentation during the claims review process.** Discussion Letters, as well as Level 1 and Level 2 Appeals, can also be submitted electronically to ensure faster and more transparent submission.

Phase 1 of the project, launched in September 2011, enabled providers to electronically respond to Additional Documentation Request (ADR) letters and contractors to electronically receive that medical documentation. The pilot project for Phase 2 of the esMD program went live in January 2017, debuting new features that enable bidirectional communication between providers and review contractors.

esMD drives efficiencies, improves accuracy, reduces administrative burdens, and expedites the overall claims review process. The process can reduce the time for response activities by several days, with esMD submissions taking an average of just a few hours to receive confirmation of receipt.

With esMD, providers can further strengthen their audit management processes—creating a nearly completely automated process that drives organizational efficiency and overall success.

Provider Participation in esMD

Using esMD is not mandatory for providers, but the potential efficiencies have attracted tens of thousands of Medicare providers to the program and driven exponential growth in participation. According to the latest statistics released by CMS in the esMD Semi-Annual Report:

- Nearly **40,000 Medicare providers** participated in the program during the first half of fiscal year 2015.

- **320,154 Medical Records** were transmitted during the esMD program's first 15 months (September 2011 through March 2013).

- **1.72 million Medical Records** were transmitted through March 2016—**growth of more than 500%.**

Notable is that much of this growth took place during a time when most providers were enjoying some relief from the RAC audit process due to the RAC Program hiatus. This proved to be an ideal time for providers to transition to this new process.

> **"esMD is the most effective/efficient way to get records to us for review."**
> – Performant Recovery (Contractor, Regions 1 and 5)

Key Features of esMD

Since the launch of Phase 1 in 2011, the esMD program has consistently expanded to include new features and functionality. Today, esMD can be used for the following types of documentation:

To Review Contractors

- Responses to Documentation Request Letters in PDF

- Power Mobility Device (PMD) Prior Authorization Requests in PDF

- First-level Appeal Requests in PDF

- Advance Determination of Medicare Coverage

- Prior authorization request for ambulance in PDF

- Prior authorization request for HBO in PDF

- Prior authorization request in X12 278

- Structured Orders, Progress Notes

- Structured esMD Phase 2 Registration

To Providers

- Power Mobility Device (PMD) Prior Authorization Responses

- Prior authorization responses

- Structured Outbound Documentation Requests (coming soon)

- Review Results Letters (coming soon)

- Demand Letters (coming soon)

In January 2017, CMS began piloting Phase 2 of esMD, introducing new electronic communication features that further streamline the claims review process. These new features allow review contractors to send electronic documentation requests to providers, establishing the structure for a nearly completely automated process. Phase 2 features enable contractor requests to providers for the following:

- Documentation Requests

- Review Results Letters

- Demand Letters

Currently, Phase 2 is in the pilot stage, using test data to ensure seamless end-to-end connectivity of the esMD system with HIHs—who are key partners to providers in this process. One Medicare Administrative Contractor (MAC), Palmetto GBA, is participating in this portion of the Phase 2 pilot.

It's expected the esMD Phase 2 pilot project will move out of the testing phase early in 2018, opening the door for review contractors to transmit live data to providers. Upon the initial launch of these new features, review contractors will still be required to send providers paper copies of all correspondence for a period of time to ensure

a smooth transition. Upon the full launch of Phase 2, providers and review contractors using esMD will be equipped to complete nearly all correspondence electronically.
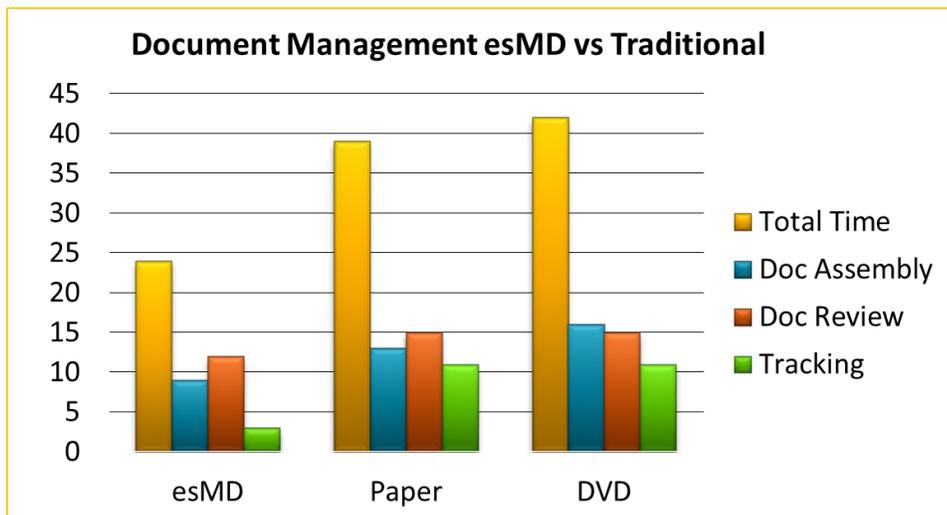
Benefits of esMD

Eliminating the need for reliance on traditional methods of document submission dramatically shortens the time it takes to submit documentation and receive responses, which in turn can lead to faster decisions by auditors, faster appeals and faster payment adjustments.

More Efficient Document Submission Process. Current data show that for providers using esMD, the national average between the time of documentation submission to the timestamp of Level 2 acknowledgement by the contractor is just under two hours.
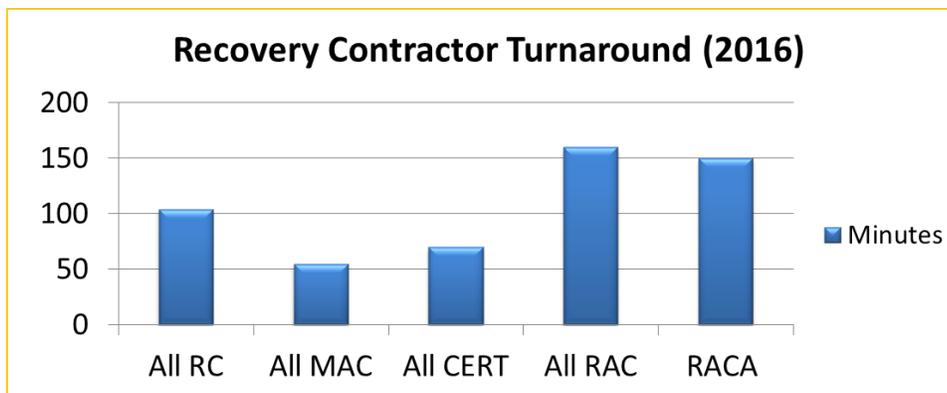
As a certified HIH, Bluemark has seen rapid adoption of esMD among clients.
Based on its own internal data, Bluemark has seen an average turnaround time of 114 minutes.

Quicker Turnaround. Providers have reported payment turnaround when using esMD is six days as opposed to the paper process which is approximately three weeks.

Blinded national data Bluemark acquired through its tracking system and via customer polling.

Benefits of esMD – Cont'd

Reduced Labor Costs. esMD helps reduce the amount of labor required to fulfill these requests by no longer having to print and mail paper, feed a fax machine or burn CDs. With electronic submissions, medical documentation is directly sent to contractors without this additional step.

Reduced Hard Costs. esMD can also reduce hard costs like shipping and handling expenses.

Security. esMD complies with security regulations set forth by the eHealth Exchange, formerly known as the Nationwide Health Information Network (NHIN). These security regulations include standards, protocols, legal agreements, and specifications identified by a consortium of health information organizations as necessary for secure and private exchange of health information over the internet.

Peace of Mind. With esMD, the process allows for almost immediate feedback and issue notification.

Accessing esMD

In order to take advantage of the esMD system, providers must[1]:

- Confirm their claims review contractors accept esMD transactions.
- Obtain access to an esMD gateway.

Providers can gain access to the esMD gateway in one of two ways.

1. Some larger hospitals or health systems may opt to build their own gateway, given the access to robust resources to drive this activity. While this is possible it's not a commonly used option.
2. Most providers choose to work with a certified HIH to access the esMD gateway for ease in adopting and implementing esMD program.

An HIH is any organization that handles health information on behalf of providers. You may hear them referred to as Claim Clearinghouses, Release of Information vendors, Health Information Exchanges, or Electronic Health Record vendors. Providers often use HIHs to facilitate activities such as submitting claims or providing electronic health record systems.

Some HIHs are also now offering esMD gateway services, although only a few HIHs offer fully integrated technology solutions to support the esMD process.

Not all HIHs are participating in the Phase 2 pilot program, but those that are participating also receive the added benefit of being the in the first group to fully utilize the functionality when the pilot is over and the program is expanded nationally. For a list of HIHs that provide esMD gateway access, visit the CMS website.

Bluemark is a certified Health Information Handler.

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[1] "Information_for_Providers." CMS.gov Centers for Medicare & Medicaid Services. N.p., 12 Mar. 2015. Web. 24 Mar. 2017.

Who Uses esMD?	▪ Recovery Auditors
	▪ Part A/B Medicare Administrative Contractors (A/B MAC)
	▪ Durable Medical Equipment Medicare Administrative Contractors (DME MAC)
	▪ Zone Program Integrity Contractor (ZPIC)

Best Practices to Identify a Solution

With esMD at the core of your solution, audit management activities—including tracking requests, submitting records and receiving/documenting responses—can become almost completely automated. Selecting the right certified HIH to provide a strong foundation to drive this process is vital. Thoroughly evaluating partners and solutions is critical to successfully implementing esMD within your organization. Ensuring efficiency, accuracy and security throughout this process is essential to success.

Technical Requirements to Consider

- **Integration of applicable systems.** Every system or vendor used in managing the RAC process needs to be directly connected. Hospitals today need a solution that enables an integrated, streamlined approach; seamless data sharing; and automated workflows. Manual work that requires significant staff time continues to plague existing processes and often times is the result of the audit software not "talking" to other systems.

- **Real-time appeal tracking.** A system that can generate real-time, automated work lists for staff and calculate due dates at all levels of appeal.

- **Electronic document repository.** A single location which can consolidate all the various pieces of correspondence and documentation is critical.

- **Financial Reporting.** Accurately report on denied dollars, including dollars at-risk versus dollars that have already been recouped from the facility, providing a clear view on the true impact of ongoing audits in real time.

- **A Scalable Solution.** With organizational expansion becoming more commonplace, the ability to onboard new facilities to a consolidated audit management process is now a core requirement. Ensuring an easy and painless transition for the end-users is essential for success.

Keys to Evaluating Solutions

- Clearly identify all user requirements and validate against stated vendor deliverables.

- Require strong client references and speak to those references.

- Keep in mind the vendors or systems requiring interfaces.

Beyond the technical requirements of a solution, it's essential the HIH with which you choose to partner understands the complexity of the audit landscape and can facilitate the continued evolution of required processes. This means finding an expert vendor that has the ability to look ahead, identify potential impacts on

the workflows and proactively make appropriate system enhancements to continue to drive a seamless and efficient audit management process through esMD.

Success through esMD

Implementing a tool that will support your integration with esMD can help control costs while providing a fast, secure and transparent submission process. Selecting the right solution to complement your organization's processes and systems is paramount to successful audit management and response.

With the right support, providers can obtain access to the esMD gateway, start using the program—and begin realizing significant enhancements in their overall audit management processes.

About Bluemark

Bluemark is a specialized software developer providing expert solutions for health care through the combination of adaptive technology and industry expertise. One of Bluemark's core tenets is to improve the financial performance of providers' operating margins through a spectrum of leading-edge technology solutions that include TRACKER PRO, a powerful web-based audit management system designed to transform the audit management process. TRACKER PRO is developed in partnership with the Greater New York Hospital Association.

Bluemark was founded in 2001 and is based in New Paltz New York. The company also maintains staff in New York City, Nashville TN, Northeast Ohio and Florida. With over 400 clients across the country, Bluemark provides award winning technology solutions for Hospitals, Health Systems, Long-Term Care Facilities, Health Plans and the Sub-Acute Provider Markets.

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