InSight Medical Necessity®

Medical necessity is one of the leading reasons for payor denials. The impact of these types of denials can be significant because they reduce cash flow and net revenue, place facilities at a compliance risk, and increase exposure to post-payment audits. The risks are accelerating as commercial payors and Medicare/Medicaid replacement plans are moving to a combination of medical necessity and prior authorization requirements. When new payor requirements are combined with the implementation of ICD-10, the risk of outpatient denials is high without proper medical necessity systems in place.

The Problem
Medical necessity verification is difficult primarily because payor policies are complex and ever-changing. In fact, commercial medical necessity policies are often not well documented by the payor and frequently have conflicting prior authorization and medical necessity requirements. Therefore, organizations are challenged to determine the correct payor-specific requirements for patients prior to providing service. Failure to accurately and completely determine medical necessity leads to revenue losses when uncovered services are provided; allowable charges are denied due to inappropriate diagnoses and ABNs or non-covered service waiver forms are not properly administered.

The Solution: InSight Medical Necessity®
InSight Medical Necessity provides instant access to medical necessity and prior authorization policies for Medicare, Medicare Supplements, the Blues and the national commercial payors that impact your facility. This real-time access during the prescheduling, registration, and order-entry to Health Information Systems eliminates redundant data entry steps and ensures proper determinations of whether a CPT/ diagnosis combination supports the payor’s policy requirements and will be covered. The result is an improvement in first pass rates and overall financial performance achieved through strategic automation.

Solution Benefits
• Accelerated cash flow and net revenue with reduced A/R days by preventing denials for medical necessity failure or lack of prior authorization, and lack of clinical indicator information

• Improved operational efficiency
  • Real-time documentation to assist physicians in understanding payor requirements
  • Medical necessity checks from any location, including remote physician offices for greater efficiency and compliance
  • Automatic generation of required Advanced Beneficiary Notice (ABN) or waiver forms
  • Rapid startup and early results with no on-site installation or IT requirements

• Reduced compliance risks by helping to avoid future audits and penalties
• Access to automatic weekly updates

Key capabilities include:
• Timely access to medical necessity requirements for most major U.S. payors, including Medicare, Medicare Advantage plans, and the Blues
• Prior authorization warnings
• Clinical criteria notification
• Access to Local Coverage Determinations (LCDs), National Coverage Determinations (NCDs), and commercial payor policies eliminating manual data gathering
• Appropriate code selection with customizable keyword sets
• Advanced criteria checking for prior authorization requirements, age and gender, frequency limitations, non-covered services, inpatient-only procedures, dual diagnosis requirements and much more
• Automatic creation of an ABN or non-covered service forms
• Offered as a web-based solution or can be integrated with MEDITECH
• Dedicated team of certified professional coders that evaluate medical necessity policies and provide helpful customized text with associated ICD-9 codes
• Supports ICD-10 requirements
Multi-Payor Solution
InSight Medical Necessity automatically compares diagnosis and procedure codes with your payors’ medical necessity rules to prevent claim and line item denials. The solution provides a comprehensive set of the most current CPT-4/HCPCS to ICD-9 relationships at the Medicare Administrative Contractor (MAC) level for Medicare and plan level for commercial payors to ensure that you have complete and up-to-date medical necessity policies at all times.

Prior Authorization
InSight Medical Necessity accounts for unique payor-specific prior authorization policies and further ensures the accuracy of your medical necessity checks. It includes advanced criteria checking for age and gender, frequency limitations, non-covered services, clinical criteria requirements and dual diagnosis requirements. It also flags CPT and ICD-9 codes with medical necessity and prior authorization warnings and provides details on the payor policies to ensure that your staff is fully aware of all coding requirements. Users are also prompted to review documentation for important clinical information when CPT codes contain both diagnosis and clinical indicators.

Code Search by Keywords
The solution provides customizable keyword sets called picklists to help users to easily select appropriate codes to perform medical necessity checks. Drop down menus and check boxes guide staff to select services and then view the associated CPT or ICD-9 diagnosis codes to accurately determine medical necessity.

Auto-generated Patient Responsibility Forms
During the scheduling and registration process, staff can instantly pre-screen for compliance with medical necessity guidelines for multi-payors. Craneware’s medical necessity solution ensures compliance with Medicare Local Coverage Determinations (LCDs) and National Coverage Determinations (NCDs). These include Ambulatory Payment Classification (APC) or Outpatient Code Editor (OCE) edits for inpatient-only procedures, incidental-only procedures, and statutorily non-covered procedures. For non-covered services, ABNs and non-coverage forms are issued automatically. The solution links directly to your chargemaster file to reflect actual pricing on the form.

Access to Medical Necessity Policies
InSight Medical Necessity provides access to the most current payer’s medical necessity policies, which supports documentation quality across the organization, including physician offices that often lack accurate medical policy and prior authorization requirements. Health information management departments also benefit from much faster access to the latest medical necessity policies versus traditional and time-consuming web searches.

Physician and CPT Code Reporting
With the ability to track medical necessity failures by physician and CPT code, InSight Medical Necessity helps identify opportunities to educate staff and evaluate processes that prevent medical necessity failures moving forward. The physician report displays the number of medical necessity failures for each doctor as well as the number of ABNs and waiver forms created as a result of services a physician has scheduled. CPT reports indicate failures for each CPT code along with the number of ABN and waiver forms created for each code.

Browser-based, Secure and HIPAA Compliant
InSight Medical Necessity is a hosted application service provider (ASP) solution. All software and data content is automatically updated weekly. InSight Medical Necessity encrypts all transmissions with full 128-bit data encryption using secure sockets layer (SSL) with a key provided by VeriSign®. It fully complies with all HIPAA technical security and privacy provisions.

Training and Support
Craneware provides a full range of award-winning training, implementation, technical support, and professional services. Training is offered onsite, live online, and via self-paced online courses on the Craneware Performance Center. The Craneware Professional Services team helps hospitals with project planning, rapid implementation, integration, and custom training programs to ensure medical necessity best practices for sustainable benefits.

About Craneware
Craneware (AIM: CRW.L) is the leader in automated revenue integrity solutions that improve financial performance for healthcare organizations. Craneware’s market-driven, SaaS solutions help hospitals and other healthcare providers more effectively price, charge, code and retain earned revenue for patient care services and supplies. This optimizes reimbursement, increases operational efficiency and minimizes compliance risk. By partnering with Craneware, clients achieve the visibility required to identify, address and prevent revenue leakage. To learn more, visit craneware.com and thevaluecycle.com.