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When Productivity Targets Aren't Met, Consider wRVU Audit, Which Has Compliance Benefits

By Nina Youngstrom

When the director of operations in a health system sits down with physicians who aren't hitting the productivity targets for their performance-based compensation, the physicians are exasperated. How is that possible? The physicians treat so many patients and are busy in the operating room. "There's no way we aren't meeting productivity goals because we're working so much," they say.

They're probably working as hard as they think, but it may not be paying off in more ways than one. Maybe all those visits and surgeries are not showing up in their work relative value units (wRVUs) because of coding or billing errors, said attorney Richelle Marting, with the Forbes Law Group in Overland Park, Kansas. To find out, organizations might want to conduct a productivity audit, which is different than a compliance audit but has some of the same benefits, Marting said at a Jan. 23 webinar sponsored by the Health Care Compliance Association.

Provider productivity is affected by missed codes—including evaluation and management (E/M) services, add-on codes, multiple procedure codes during surgery, ancillary services and bedside surgical cases. "All of the ways we capture services could artificially make that provider appear less productive than they are because we are not capturing all the work they are doing," she said.

Hospitals also could run afoul of the Stark Law and Anti-Kickback Statute because they are required to pay employed physicians who are referral sources fair-market value compensation. If the wRVUs credited to providers are low compared to their compensation, "it looks like they are getting paid a lot more money for less work," she notes. The risk, then, is the appearance the hospital is not paying the physician for professional services and that some of the compensation is to encourage patient referrals.

Productivity audits are different from compliance audits. The focus of a billing compliance audit is whether the provider met the payer's requirements and whether they will get paid based on what's in the medical records. A productivity audit looks at the services performed, the codes that describe the services and whether the organization is capturing the codes for the services. If not, something is wrong and should be corrected. "These are not dollars and cents that could be reimbursed from a third-party payer," Marting explains. However, improved charge capture could be a side effect of a productivity audit. The goal is to bring the two types of audits together to assess the codes and associated wRVUs for the work being performed by providers and to reflect the value of their services, which in turn supports their compensation.

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