



EBOOK

Did Your Offshore Coding Go Wrong? New Blended Shore Approaches to Consider

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INTRODUCTION

Hospital margins remain slim and high staffing costs are partially to blame. According to a recent survey, labor expenses were a significant financial battle in 2023 due to workforce shortages.¹ This includes a shortage of highly qualified medical record coders.

The low availability and high cost of experienced coders is a known challenge. Stiff competition for coding talent is leading many hospitals and health systems to look offshore for the coding workforce they need. But the pursuit of offshore coding often backfires due to lower quality, higher rates of denial, and the need for substantial health information management (HIM) oversight.

For these reasons, new blended shore coding models provide a valuable option.

Blended shore coding programs bring together offshore talent with domestic, US-based oversight and management to deliver quality AND cost savings. This ebook defines five reasons offshore coding goes wrong and provides new best practices for successful blended shore medical record coding programs.

Benefits of Blended Shore Medical Record Coding

- Remedy workforce gaps
- Ensure quality coding performance
- Drive more value from your coding teams

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1. Three Financial Challenges CFOs Battled in 2023. Available online: [healthleadersmedia.com](https://www.healthleadersmedia.com)



I. Five Reasons Offshore Coding Goes Wrong

For one large academic medical center in the Mid-Atlantic region, offshore coding programs failed to produce expected results. Five years of repeated attempts across multiple offshore coding vendors only exacerbated the organization's coding cost and quality challenges.

According to this HIM Director's experience, there were five specific reasons the organization's offshore coding partnerships went wrong:

- 1 Incompetent coders
- 2 Rushed program implementation
- 3 Potential for undercoding of cases
- 4 Flawed quality audit and review processes
- 5 Lack of adequate vendor management and oversight

Outsourced medical record coding is a dynamic strategy. It consistently evolves and improves based on changing conditions. As new capabilities have emerged, an expanded set of chart and service types can now be accommodated.



II. How New Blended Shore Models Are Different

Early blended shore models proposed the use of offshore coding talent with in-house or domestic coding auditors. The coupling left HIM directors with multiple vendors to manage and contracts to maintain. In many cases, the burden on an organization's coding leadership and code auditors was not worth the effort.

Times have changed and a new approach to blended shore coding has emerged. Today's blended shore programs include eight must-have elements.

A diagram consisting of three curved arrows forming a circle. A green arrow at the top points right, a teal arrow on the left points up, and a purple arrow at the bottom points right. They all point towards a central teal box containing a list of requirements.

Eight Requirements for Today's Blended Shore Coding

- US-based auditors to ensure compliance, quality, and optimization
- Auditors that work on behalf of your organization, not the offshore coding company
- Support for all types of coding: IP, OP, HCC, Profee, etc.
- Complete onshore management of the process and workflow
- Clear vendor direction, management, and communication with the offshore coding team
- Phased-in implementations to ensure full knowledge by offshore team
- Transparency into quality and productivity with full and frequent performance reports
- Security, privacy, and system integrations including HIPAA, HITECH, state laws, SOC 1, SOC 2, ISO, and PCI DSS compliance



III. The Importance of Onshore Account Management

Offshore coding programs are complex to manage, even with trusted partners and the best intentions in mind. All risks must be mitigated, and quality can't be compromised. Full onshore account management is considered best practice to achieve these goals.

With onshore account management, the outsourced coding partner owns full responsibility for performance and outcomes. They hold the offshore coding team accountable every single day, manage work queues, and ensure productivity is met.

The partner also performs all the heavy lifting for quality, audits, and training. And since coding education plays a major role in ensuring coding quality and compliant reimbursement, onshore managers also deliver educational programs for offshore coders.



“The onshore account management team understands our inpatient bill hold expectations and ensures we are 1-2 days out from discharge. Over the years, we have established workflows and work queues that have enhanced our quality of coding data and closed clinical documentation improvement gaps. The account management team and the offshore coding team are very responsive to our needs, and they are very flexible. They are considered a part of our “TEAM” and celebrated for teamwork, dedication and efforts in helping us meet our year-end goals, every year!”

Valethia Berry, Corporate Coding and Reimbursement Manager, Grady Health System, Atlanta



IV. Operational and Quality Checklist

There are ten important aspects to consider when evaluating a new blended shore coding partner across operations and quality auditing. The list below provides a valuable tool to assess blended shore outsourced coding companies.

Operational and Quality Checklist

- Onshore project management leader(s) with experience and strong communications skills
- Training materials and onboarding process equal or greater to onshore
- Resources aligned based on skillset and experience
- Same quality and productivity expectations as onshore
- Open and transparent relationships with offshore leaders with open communication on how to improve and what is going well/not well
- Offshore audits as 1st line of quality assurance program
- Onshore overlay audits as standard operating procedure
- Existing high-level auditors or coders ready for promotion to auditor level with same specialty/patient type(s) they will audit
- Coding operations and audit operations kept in a cohesive operations loop
- Quick resolution of any issues with ongoing KPI monitoring



V. A Proven Blended Shore Implementation Plan

Decades of experience with offshore and blended shore coding programs affirm one consistent truth: rushed implementations spell disaster. Big bang implementations of blended coding programs don't include enough time to ensure positive outcomes. We offer the following best practices to mitigate the risk of a failed offshore or blended shore coding implementation.

Phase I: Plan

- Create complete client profile including protocols, policies, procedures, etc.
- Develop and obtain approval for coder onboarding plan
- Obtain EHR and required system access
- Test, train, and onboard offshore coders

Phase II: Launch

- Develop and onboard first group of coders
- Integrate results into blended shore audit program
- Provide onshore coder education and training to offshore coders based on coding audit results

Phase III: Expand

- Onboard additional coders
- Audit new coders based on compliance with established program
- Conduct monthly audit of all coders to ensure 95% accuracy and share results
- Continue all educational efforts and training based on ongoing coding audit results



VI. Your Blended Shore Partner Checklist

The most important aspect of any partnership is accountability. e4health's leadership is fully accountable for coding accuracy, compliance, productivity, and optimization. Every engagement. Every time.

We take pride in our proven coding quality results and ensure full compliance with third-party reviews. External third-party auditors consistently find that e4health's blended shore coding programs exceed 96% accuracy against every quality standard.

Dynamic changes are ahead for medical coding. The future includes increased automation, intelligence, and a keener focus on clinical data integrity. With this future state in mind, now is the time to make new decisions about your organization's coding future.

Our blended shore coding program is a viable and proven solution to remedy your coder shortages and high staffing costs. We stand ready to serve your every coding need—today and for the future.

To discover more about e4health's blended shore coding solutions, please visit: <https://www.e4.health/solutions/coding-cdi/coding/>

Six-Point Essential Checklist for Successful Blended Shore Coding Partnerships

- 1 Remain accountable for high quality and compliant coding
- 2 Customize a blended shore program for your organization
- 3 Screen coders to ensure optimal quality, efficiency, and accuracy
- 4 Integrate your unique key performance indicators into the entire blended shore program
- 5 Conduct pre-bill audits and meetings to eliminate billing delays
- 6 Include onshore team in training, auditing, and weekly meetings, with daily pre-bill reviews during coder onboarding





About the Authors

Amanda Corley, CCS, RHIT

With over two decades of specialized experience in the intricate fields of medical coding, CDI, and high-level health information operations, Amanda is a recognized authority in her domain. Her distinguished track record encompasses the optimization of medical coding processes, the meticulous assurance of health information documentation compliance, the orchestration of sophisticated high-level operational strategies, and leadership in managing both onshore and offshore services.

Julie Seaman, CCS, CCS-P, VP of Operations

Julie is a dynamic, results-focused, and successful senior level coding and operations leader with a 20-year track record of driving strategic operational improvement. Julie possesses cross-functional facility and professional environment experience with a demonstrated track record of leading cutting-edge process re-design and staff development initiatives that impact organizations at a fundamental and meaningful level, strengthening organizational principles and supporting long-term sustainability goals.

To hear more from Amanda or Julie, tune into their regular coding education webinars at [e4.health](https://www.e4health.com).



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