

Al as a Path to Improve Profitability **25%** 36% **Few** of health system finance said they viewed AI of said they view leaders said they have investments as margin Al as a priority failed to meet their drivers in the near to midoperating margin goals in term. the past three years Source: Deloitte, "Health care CFOs are embracing more comprehensive approaches to improve profitability," July 2024



Breaking Through AI Hype

Today we're going to demystify AI by answering common questions. We'll explain how it can **deliver** measurable ROI, with real examples from UAMS.

- 1. Why do we even need AI?
- 2. What does 'AI' really mean?
- 3. Is Al going to replace my CDI team?
- 4. How can I evaluate an AI solution?

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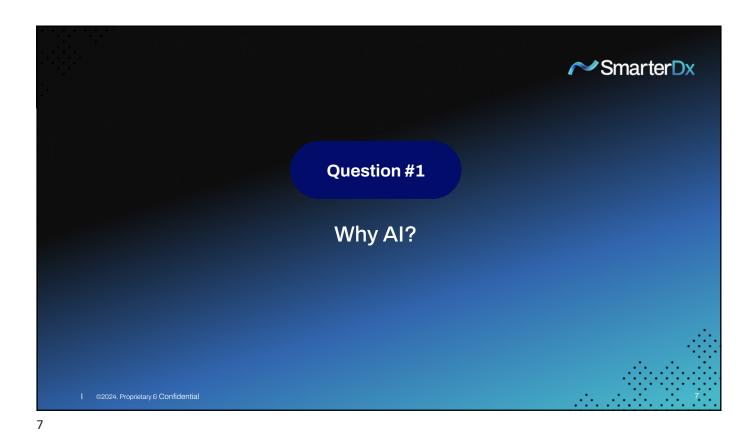
About UAMS

- · Little Rock, AR
- Public health-sciences university founded in 1879 by eight physicians.
- 6 colleges, 7 institutes, several research centers
- UAMS Medical Center, UAMS Orthopedic and Spine Hospital
- Only Academic Medical Center in the state of Arkansas



Fun fact: UAMS CDI leadership issues a system-wide CDI newsletter called "Concise is Nice!"

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CDI Gets More Complex Every Day The Red Queen's race: Even best-in-class CDI programs need to constantly evolve to keep pace with growing data . More complexity needs to be captured Patients are getting sicker Hypertension Hyperlipidemia CC SOI DRG Diabetes Ischemic Heart Disease Kidney Disease мсс ROM SDOH HCC NTAP **TRANSFER ELIXHAUSER** O/E PSI 2012 2016 ©2024. Proprietary & Confidential 8



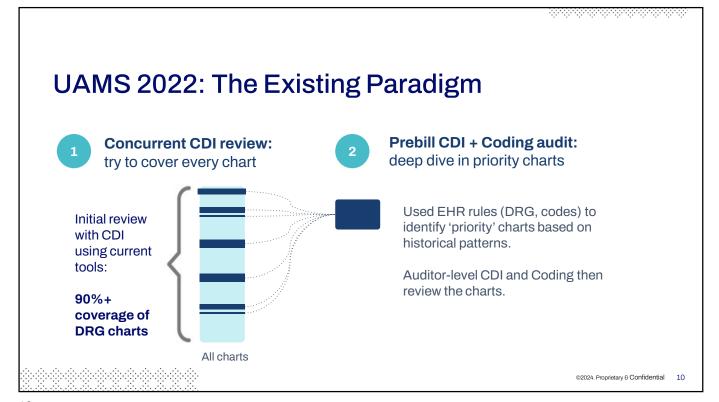
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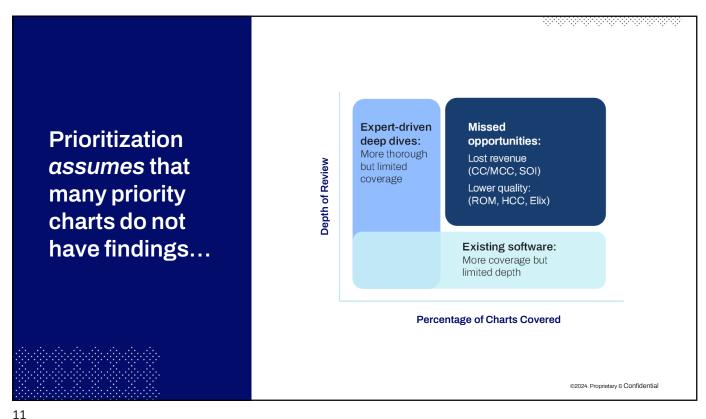
The rejection of van Terheyden's claim was typical for Cigna, one of the country's largest insurers. The company has built a system that allows its doctors to instantly reject a claim on medical grounds without opening the patient file, leaving people with unexpected bills, according to corporate documents and interviews with former Cigna officials. Over a period of two months last year, Cigna doctors denied over 300,000 requests for payments using this method, spending an average of 1.2 seconds on each case, the documents show. The company has reported it covers or administers health care plans for 18 million people.

Example 'payment integrity' stack for a single payer:



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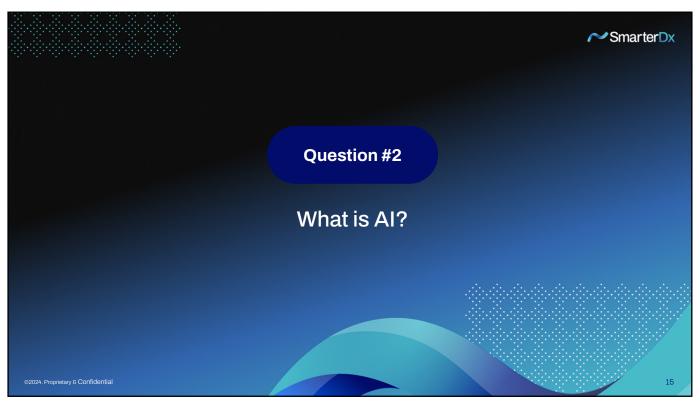


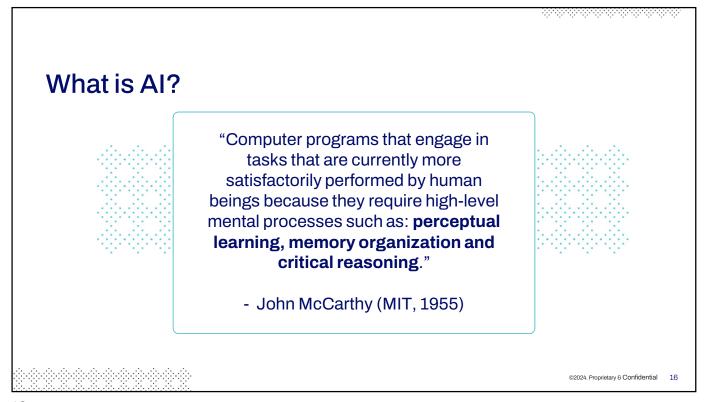
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10s of CCs and MCCs
1000s of possible diagnoses
A few charts
Can be anywhere!







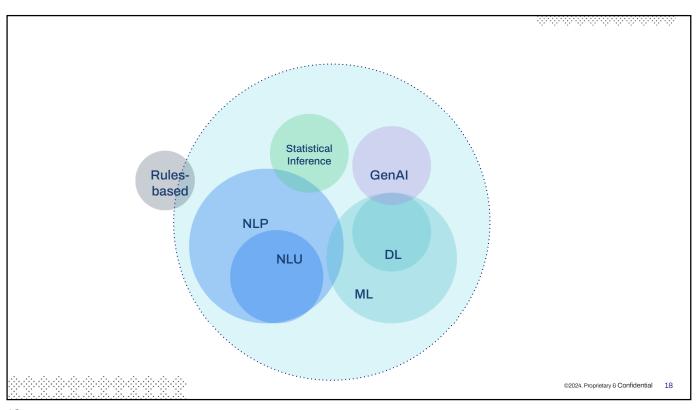


A Simpler Definition

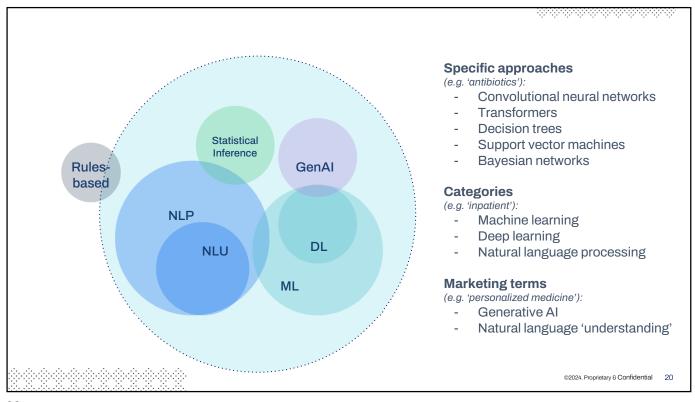
Al: algorithms that can perform tasks require intelligence, like understanding languages, recognizing images, or making decisions using data.

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17







Even within a specific approach, there are vast differences in technique



2019: Used 'transformers' to categorize certain medical terms



2023: Used 'transformers' to create ChatGPT

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21

Al Myth vs. Reality

Myth	Reality
There is a single "best" approach.	The best approach (or combination) depends on the problem.
If two companies both use "NLU," that means they have the same technology.	NLP itself has many different methodologies that can achieve very different results.
Company [X] says they do "AI" so they do "AI."	Al systems take significant expertise to build.

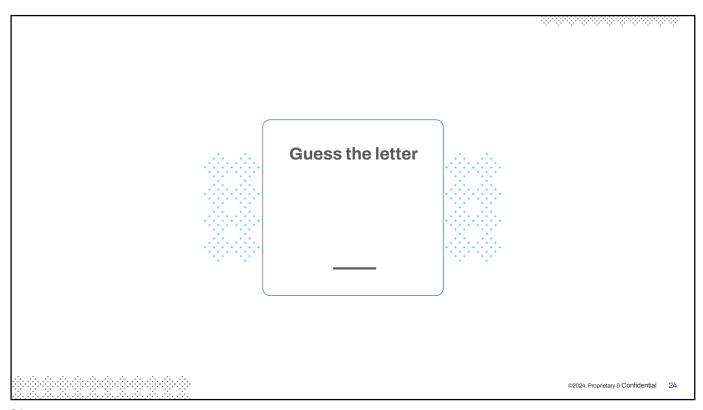
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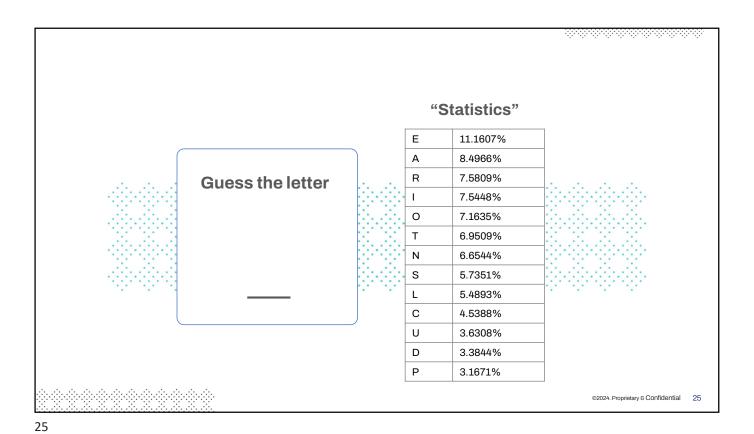
But no matter the approach, there is at least one core principle that you can use:

The model's *ceiling* is determined by the data provided.

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23



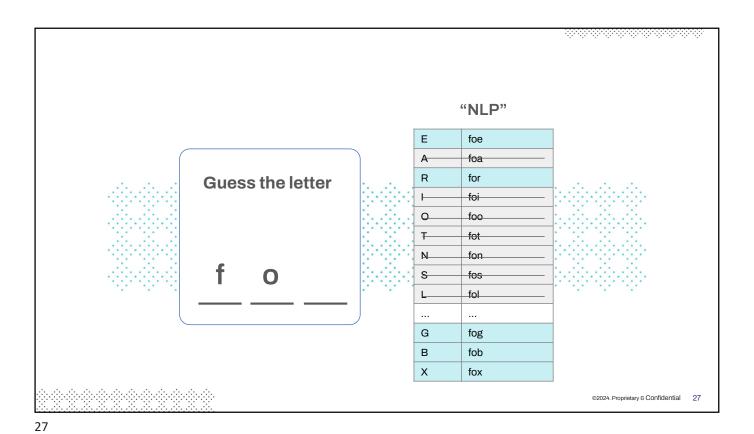


Guess the letter

f O

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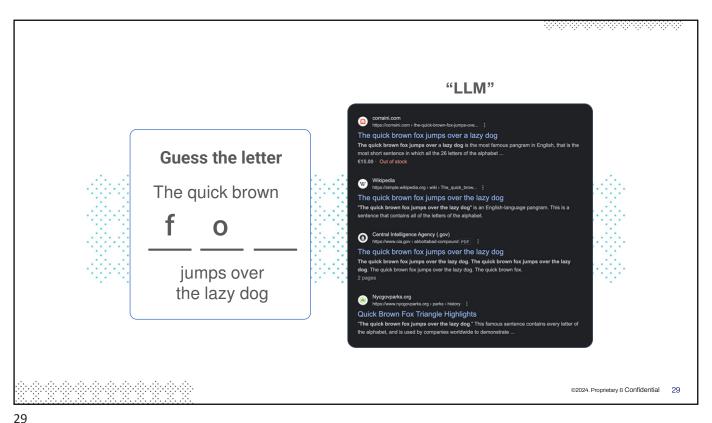
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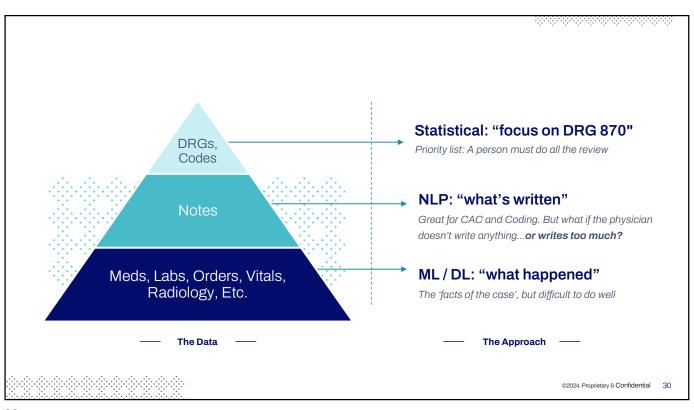


Guess the letter
The quick brown

f
O

jumps over
the lazy dog

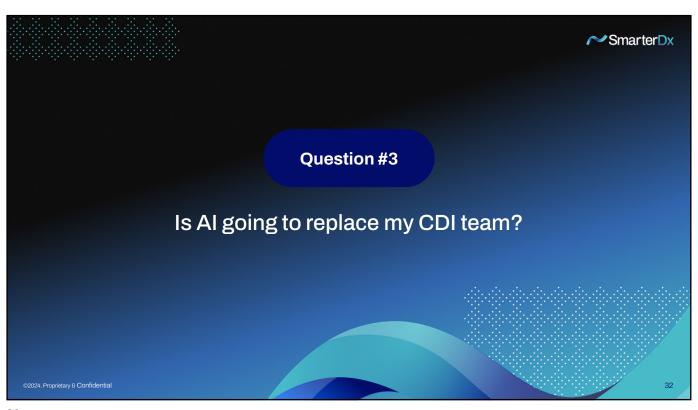


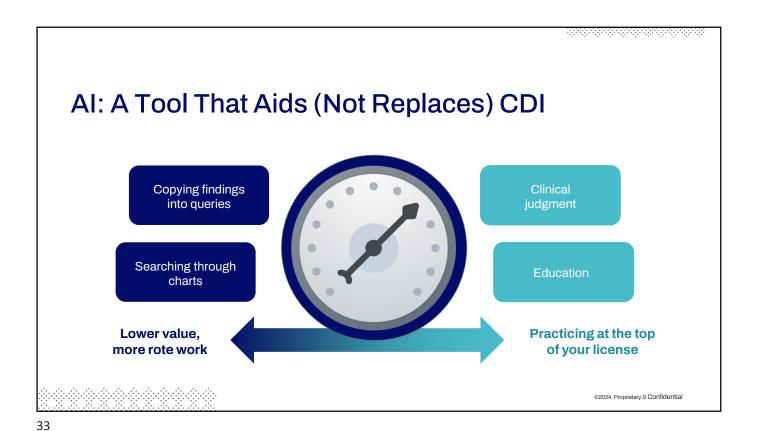


The AI approaches depend on the data provided.

With more data and better models, AI is able to understand more and more context.

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The Existing Paradigm **Concurrent CDI review:** Prebill CDI + Coding audit: deep dive in priority charts try to cover every chart Used EHR rules (DRG, codes) to **Initial review** identify 'priority' charts based on with CDI historical patterns. using current tools: Auditor-level CDI and Coding then review the charts. 90%+ coverage All charts ©2024. Proprietary & Confidential

10s of CCs and MCCs

A few charts

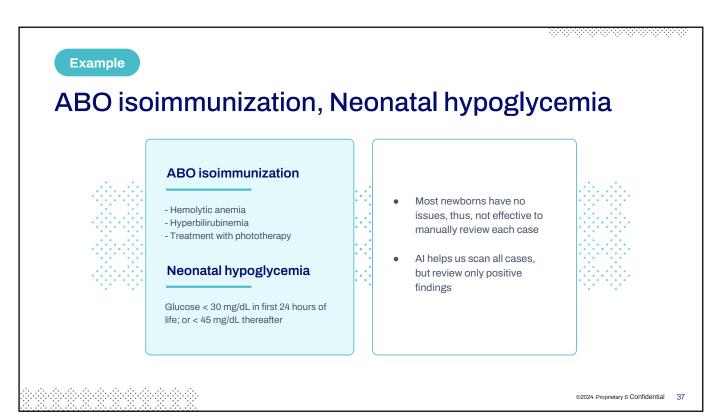
1000s of possible diagnoses

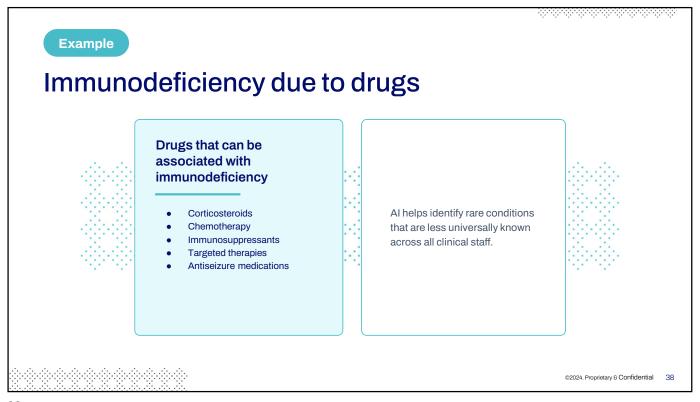
Can be anywhere!

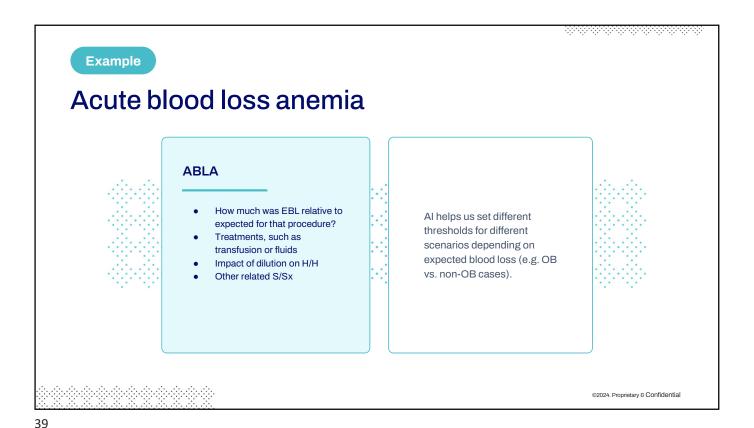
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35

Al as a QA Process for CDI Increases the accuracy, quality and value of healthcare information by transforming data into actionable insights with AI. The change is in the lift! -----**5-12%** Pre-bill Finding identified Review Clinical Coding Discharge ΑI **Concurrent CDI and Coding** 88-95% Billing No issues 100% of charts scanned for revenue and quality ©2024. Proprietary & Confidential 36







AI-powered Prebill Validation Before Al After Al Second level review Every chart is scanned of high-priority DRGs High-level check: Every lab, vital sign, note, med, etc. is checked **DRG** reconciliation CDI staff driven CDI validates the findings Post-bill processes Pre-bill Clinical AI ©2024. Proprietary & Confidential 40

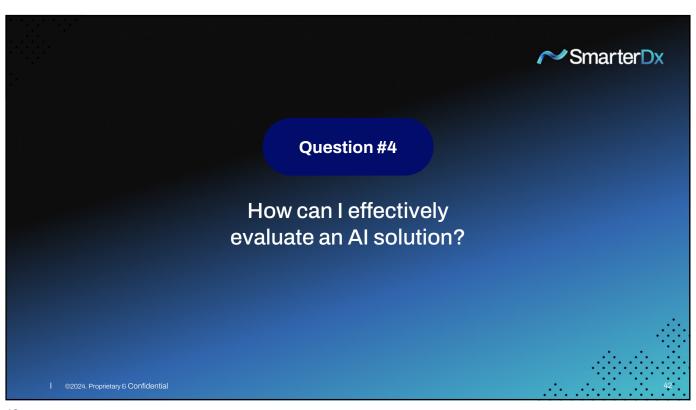


In Summary

- AI helped CDI find things in previously 'low priority' DRGs
- Al helps CDI learn about new clinical concepts
- Al able to account for subtle, situational context

41

41





UAMS AI Solution Evaluation Criteria

Cost:

Evaluate the **real cost**, including staff time, rip-and-replace, IT

Value:

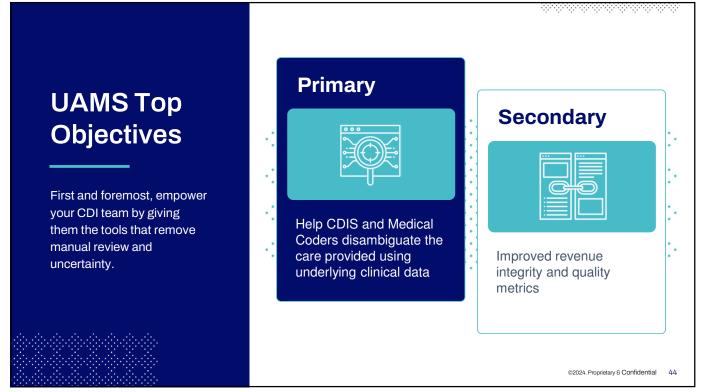
Evaluate the **real value**, and ensure the value is attributable

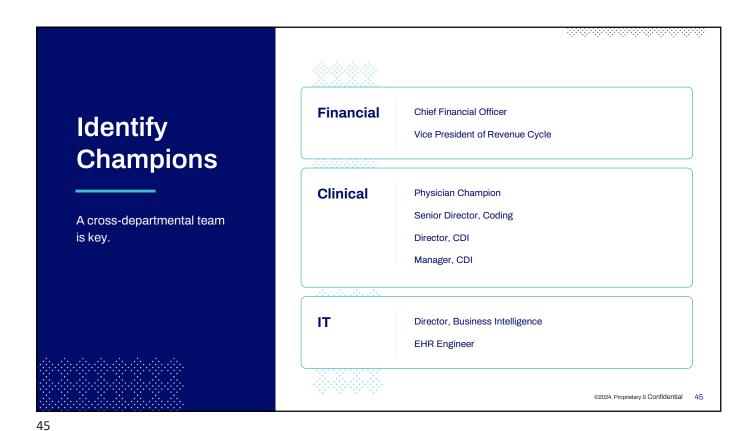
Risk:

Minimize hospital financial risk

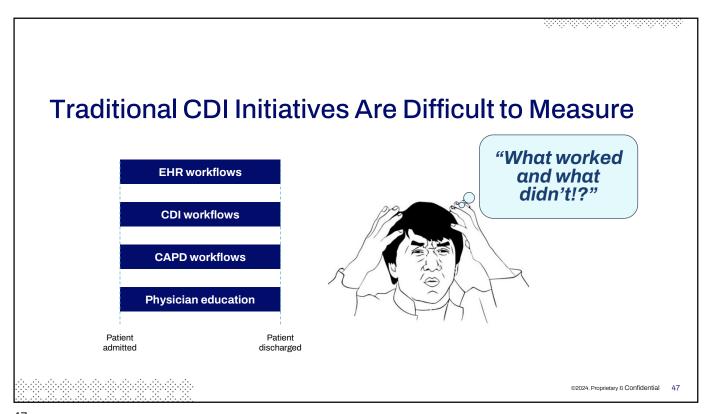
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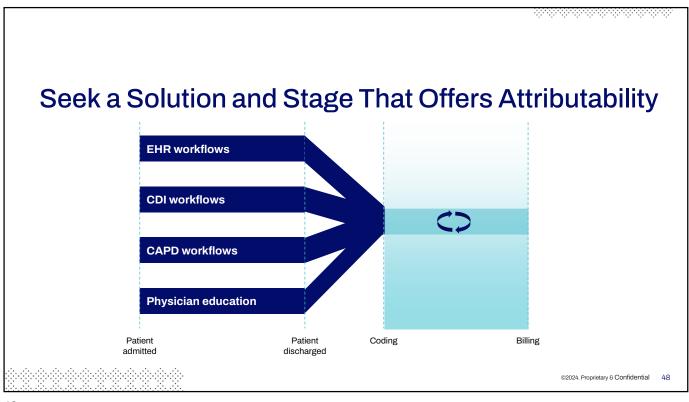
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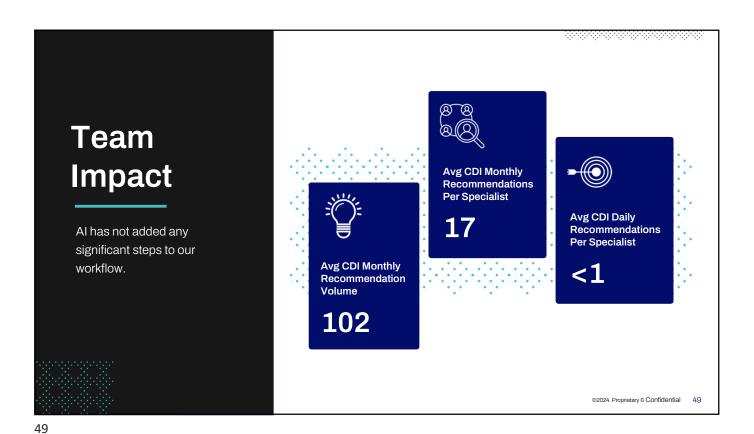




Traditional SaaS 100% Contingency Pay upfront for future value AP more closely matches AR **Minimize** Pay whether or not you get value Pay only for value you capture **Financial** Risk Pay the same even if you change If you improve upstream, you pay less Multi-year lock-in period No real lock-in High risk of vaporware: Wait and Vendor cannot exist if empty see is a rational approach promises ©2024. Proprietary & Confidential 46











Building On Our Success With Al

- GenAl for auto-writing Appeals letters
- DRG downgrades
- Expanding as we integrate our newly built facilities – we now have the safety net we need to optimize opportunities as we grow:
 - The Orthopaedic and Spine Hospital, opened spring 2023
 - UAMS Health Family Medical Center, opened spring 2024

51

51

Al Can *Empower* CDI

Al is not something to fear, but rather a "power tool" for CDI teams to capture all opportunities and reduce administrative burden and burnout.

The world is getting harder

CDI is responsible for more and more, including not just MS-DRG, but quality findings, social determinants of health, and more. Payors are using AI to deny findings.

Empower CDI and Coding

Augment existing workflows: A second pass review can complement concurrent CDI review without replacing people or any rip-and-replace of existing tech or processes.

Minimize Financial Risk

Find new revenue without new resources: Al can enable second pass reviews in today's low-margin, staff-constrained environment.

