



## 3M™ Enhanced Ambulatory Patient Grouping System

- Simplifies the ambulatory visit for analysis and reporting
- Provides a clinical focus for medical visits
- Identifies the key procedures of an ambulatory visit
- Determines which items are paid within an outpatient prospective payment system (OPPS)

### The 3M advantage

Because of its more inclusive and complete nature, the 3M Enhanced Ambulatory Patient Grouping System provides a stronger framework and platform for analyzing and managing outpatient care, giving care providers powerful tools they haven't had before.

Now facilities can incorporate a 3M EAPG-based OPPS in addition to their existing APC-based system and begin managing a non-Medicare-based OPPS payment system that can help them understand expected payment and create a firm foundation for managing their ambulatory services.

### The challenge: Analyze and manage the outpatient environment

Today's dynamic ambulatory care environment contains an unprecedented number of unique complexities, including these factors:

- Patients receive care in many settings
- Ongoing shift from inpatient to outpatient care delivery
- Resource intensity and provided procedures may vary for similar diagnosis codes
- Documentation of services is less centralized
- Outpatient volumes are significantly higher than inpatient (about 16:1)

All of this complexity impacts a facility's ability to understand its outpatient case mix and resource use, much less generate a clean claim.

If providers could reduce their outpatient claims complexity, they could more easily identify cost-recovery opportunities and improve both their outpatient coding compliance and reimbursement.

### The solution: 3M EAPG System

The **3M Enhanced Ambulatory Patient Grouping (EAPG) System** is a classification system developed specifically for use in today's complex ambulatory environment to develop an effective and comprehensive OPPS that includes hospitals, freestanding ambulatory surgery centers (ASCs), renal dialysis centers, and other diverse care settings.

By reflecting the care that today's facilities provide to non-Medicare beneficiaries, the 3M EAPG System captures the current changes in clinical practice and resource use and can provide a broader, more inclusive classification of outpatient care than the Centers for Medicare & Medicaid (CMS) Ambulatory Payment Classifications (APCs).

### ICD-10 ready today

The 3M EAPG System has been updated to support ICD-10 coding and is now available for organizations to test their systems and also analyze and measure potential financial impact of ICD-10 on their ambulatory services.



# 3M™ Enhanced Ambulatory Patient Grouping System

## Features and benefits

While the 3M EAPG System is a powerful tool for estimating expected payment under an OPFS, it brings much more to the table. For example, the 3M EAPG System:

- Covers the complete spectrum of ambulatory populations and is not solely focused on Medicare beneficiaries
- Applies to the full range of ambulatory settings, from hospital outpatient departments and ASCs to free-standing clinics and renal dialysis centers, thus creating a common system for what can be competing care settings
- Provides a methodology for equitable reimbursement
- Describes all services, including therapies and drugs, and does not rely on a series of fee schedules, which simplifies implementation and ongoing support
- Is more clinically relevant than the CMS APCs due to its classification methodology
- Excludes the complexities of the CMS APC system for charge capture and claim submission
- Enables the development of an outpatient case mix index (frequently called “service mix index”) for managing, comparing, and analyzing ambulatory care and various settings

## 3M EAPG classifications: Key functions

**Designating types of care.** In the ordering and designation of **3M EAPG classifications (EAPGs)** and the services provided by hospitals and other care settings, HCPCS and ICD-9-CM or ICD-10-CM diagnosis codes are assigned to one of these thirteen general types:

- Per diem
- Significant procedure
- Physical therapy and rehabilitation
- Mental health and counseling
- Dental procedure
- Radiologic procedure
- Diagnostic significant procedures
- Medical visit
- Ancillary
- Incidental
- Drug
- Durable medical equipment (DME)
- Unassigned

**Assigning categories.** To provide more focus on outpatient care, 3M EAPGs are also organized into one of 55 categories that provide a framework for service line analysis and reporting at a more general level. Examples of the categories include musculoskeletal system procedures, nuclear medicine, diseases and disorders of the digestive system, etc.

**Grouping assignments.** Medical 3M EAPGs may be assigned when no significant procedure is present. They are assigned based on the primary diagnosis code. All other types of 3M EAPGs are assigned based on the HCPCS codes reported as line item services.

**Consolidating significant procedures.** When a patient has multiple significant procedures, some significant procedures may require minimal additional time or resources. With significant procedure consolidation, multiple 3M EAPGs are collapsed into a single 3M EAPG for the purpose of determining payment. When 3M EAPGs are consolidated, only one of them is paid, but all are assigned to a 3M EAPG to facilitate reporting and analysis.

**Applying ancillary packaging.** A patient with a significant procedure or a medical visit may have ancillary services performed as part of the visit. Some of these will be paid separately, and some may be packaged. With ancillary packaging, payment for certain routine ancillary services is included in the 3M EAPG payment rate for a significant procedure or medical visit.

**Defining single or multiple visits.** A claim for ambulatory care may represent services provided on a single date or over several calendar days. The multiple visit definition allows services provided over many days, but reported on a single claim to be treated as logically separate claims. Single visit definition provides that all services on a given claim are treated as single claim, regardless of the actual line item dates of service.

**Accommodating per diem payments.** 3M EAPGs accommodate per diem payments for behavioral health services.

**Updating content quarterly.** Since HCPCS codes are updated every calendar quarter, the 3M EAPG System is also updated quarterly so that the grouping software stays current with the code set and clinical practice. The January update includes the major review of the clinical logic.

## Easy to integrate

As an add-on software component of the **3M™ Coding and Reimbursement System**, the **3M™ EAPGfinder™ Software** incorporates the 3M EAPG System and provides 3M EAPG grouping assignment for use in the HIM department and by those who code patient charts. This software offers the same hands-on, **interactive** features as other 3M groupers available in the 3M coding system.

Two 3M **batch grouping** products now include the **3M EAPGs: 3M™ Core Grouping Software** (for PC platforms), and **3M™ Enhanced APG Grouping Software** (for mainframes). Both products provide the robust 3M EAPG grouping needed for large volumes of outpatient claims. When all claims data is fully integrated, patient financial services personnel can use these 3M solutions to interface with the hospital billing application before submitting final claims. The 3M software can also be used to project revenues and contractual allowances, providing a current fiscal picture.

The 3M EAPG content is supported by and integrated into 3M's **HIM abstracting systems and database products**, including the **3M™ Ambulatory Revenue Management Software (ARMS)** and the **3M™ ClinTrac™ product suite**. As a result, facilities can have the rich reporting features they rely on with these products.

## Keep on track with outpatient changes

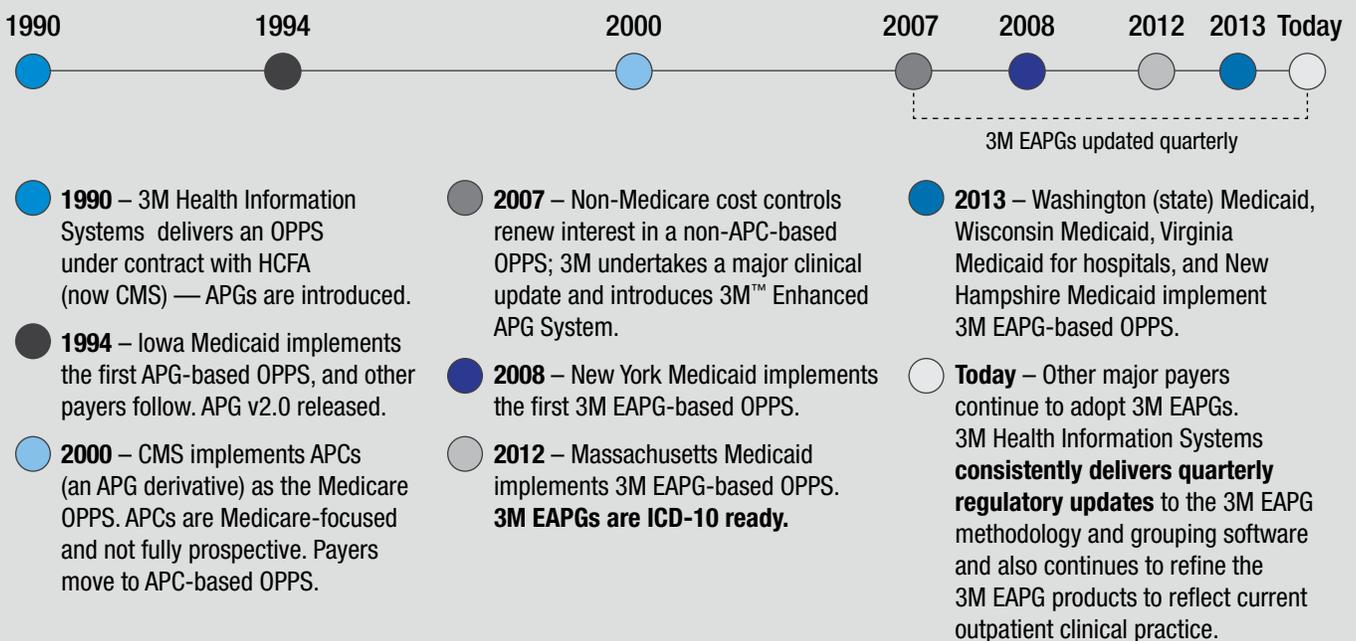
To keep pace with the dynamic nature of outpatient health care, the 3M EAPG System was released in 2007 after 3M invested in a major clinical update to the original 3M™ Ambulatory Patient Groups (APGs). Since 2007, 3M has consistently provided accurate and complete quarterly updates to the system, so clients receive the most current outpatient regulatory changes.

A number of state Medicaid entities and third-party payers have adopted the 3M EAPG System for payment of ambulatory services in hospitals, ASCs, and other non-hospital settings, and almost all payers who previously used 3M APGs for payment have now converted to the 3M EAPG System or other payment methods.

## Call today

For more information on how 3M solutions can assist your organization, contact your 3M sales representative, call us toll-free at **800-367-2447**, or visit us online at **www.3Mhis.com**.

## Outpatient prospective payment system (OPPS): A brief history





## 3M Health Information Systems

Best known for our market-leading coding and classification systems as well as our ICD-10 expertise, 3M Health Information Systems delivers innovative software and consulting services designed to raise the bar for clinical documentation improvement, computer-assisted coding, grouping methodologies, case mix and quality outcomes reporting, and document management. Our robust healthcare data dictionary and terminology services also support the expansion and accuracy of your electronic health record (EHR) system.

With 30 years of healthcare industry experience and the know-how of more than 100 credentialed 3M coding experts, 3M Health Information Systems is the go-to choice for 5,000+ hospitals worldwide that want to improve quality and financial performance.

3M Health Information Systems is a division of the 3M Company and aligned with 3M Health Care, one of the company's major businesses. 3M Health Care provides world-class innovative products and services to help healthcare professionals improve the practice, delivery and outcomes of patient care in medical, oral care, drug delivery, and health information markets.

For more information on how our solutions can assist your organization, contact your 3M sales representative, call us toll-free at **800-367-2447**, or visit us online at **[www.3Mhis.com](http://www.3Mhis.com)**.



### Health Information Systems

575 West Murray Boulevard  
Salt Lake City, UT 84123  
U.S.A.  
800 367 2447  
[www.3Mhis.com](http://www.3Mhis.com)

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