



## Special Commission of Inquiry into Healthcare Funding

**Submission Number:** 159  
**Name:** Elizabeth Atkins  
**Date Received:** 31/10/2023

## **Submission to the Special Commission of Enquiry into Health Funding**

**- by Elizabeth A Atkins.**

Under the terms of reference and after much consideration, I wish to comment on aspects of

***D. Strategies available to NSW health to address escalating costs, limit wastage, minimize overservicing and identify gaps or areas of improvement in financial management and proposed recommendations to enhance accountability and efficiency.***

I work in the public hospital system. It has become apparent to me that since the introduction of Activity Based Funding and the introduction of Local Hospital Networks, the process for funding inpatient episodes of care has come to lack accountability and can vary vastly from one facility to another.

Fundamentally, episodes of care are assigned codes for diagnoses and procedures using ICD10-AM in accordance with Australian Coding Standards.

There has developed a mindset of engineering documentation in ways that will enhance funding, so that an episode with a 'B' or 'C' DRG would be flagged for review, at times by a clinician with the objective of finding conditions that can be added to elevate the admission to an 'A' DRG.

There is a common view that since other facilities are engaging in this practice, it would be disadvantageous not to also participate.

Coding staff are generally mindful of ethically adhering to the Australian Coding Standards and while there may be occasions whereby soliciting further information by way of queries to relevant clinicians will legitimately enhance the level of funding there is also an element of manipulating documentation and not adhering to Australian Coding Standards to do so.

Engaging in this malpractice can equate to significant financial gain to a facility. When comparing outcomes across the state those facilities whose staff adhere to the standards are shown to be underperforming and receive less funding.

This can and does adversely affect staff morale as they are erroneously considered to have poorly performed the coding function.

I believe that external auditing by a designated NSW Health auditing team would eradicate this practice and enhance the coding function. This would have the added consequence of recognizing the professional standing of our coders.

31 October 2023.