COMMUNITY HOSPITAL | MIDWEST U.S. | DRG CAPTURE REVIEW

Sayvant Reflect: Real Time DRG Capture and Defensibility Analysis

A 275-bed community hospital in the Midwest partnered with Sayvant to analyze 1,000 recent discharges for diagnosis capture, specificity, and defensibility to quantify DRG denial risk and lost revenue.

THE SYSTEM

275-bed non-profit community hospital

Community-based medical center, Joint Commission accredited. Emergency and hospital medicine staffed by non-employed physician groups. Leadership contending with eroding Length of Stay and Case Mix Index performance.

THE PROBLEM

CMI is a trailing indicator

Clinical leadership would review average CMI and denials by diagnosis. Aggregated data did not provide actionable feedback to the Hospital Medicine Director about specific improvement opportunities.

WHAT THEY'D TRIED

Tools were retrospective and high change management

Tip sheets, coding education, and retrospective CDI queries improved diagnosis capture but failed to address weak clinical narrative and plan defensibility. Denials did not decrease, and net revenue suffered as a result.

$1.11m

in total DRG exposure per 1,000 discharges: missed capture plus clawback-vulnerable documentation

$896k

in missed DRG opportunity per 1,000 discharges: diagnoses the clinical evidence supports but the A&P never documents

$214k

in DRG denial risk per 1,000 discharges driven by mismatches between requested codes and defensibility of documentation

KEY FINDING

23% of discharges left defensible DRG capture undocumented or exposed to clawback (despite sufficient evidence in the chart to demonstrate defensibility).

RESULTS

Assessing clinical narrative and plan defensibility

Sayvant Reflect evaluated 1,000 hospitalist admission notes for Assessment & Plan defensibility, priced missed DRG capture and clawback exposure, and identified prescriptive opportunities to strengthen performance.

- **23% of charts identified with findings that would impact DRG payment.**
  Reflect shows missing and overly broad diagnoses so the group can understand its total revenue and clawback exposure.
- **21% of charts had missed MCC or CC opportunities.**
  Reflect calculated net impact on DRG assignment to identify true misses instead of chasing supplemental potential diagnoses.
- **$896k per 1,000 discharges in lost incremental revenue.**
  Reflect identified $896 per discharge in lost incremental charges due to missed MCC or CC capture.
- **$214k per 1,000 discharges in clawback or denial risk.**
  Reflect flagged $214 per discharge in potential denial risk driven by insufficient documentation which would not hold up on appeal.

Results: DRG Capture

Modeled CMI projections, by recommendation acceptance rate:

ACCEPTANCE	EST. CMI	Δ%	IMPACT / 1,000
25%	1.153	+3.1%	$241k
50%	**1.187**	**+6.2%**	**$482k**

Projections: 1.118 across DRG-resolvable admissions. Roughly 20% of charts shift MS-DRG bundles upon resolution of 50% of identified recommendations. Real-world improvement in DRG payments subject to validation across patient and payer mix.

The Sayvant Reflect Difference

1

Analyzes charts in real time

Reads the full note in seconds and extracts the diagnoses, evidence, and plan elements that determine DRG assignment and defensibility.

2

Assesses A&P defensibility

Checks each coded diagnosis for the documented plan that defends it, against DRG logic and clinical-validation criteria backed by CMS and society guidelines.

3

Delivers improvement opps

Shows CDI and clinical teams missed capture opportunities and plan defensibility gaps along with recommendations to strengthen documentation.

Methodology. Based on Sayvant Reflect analysis of de-identified inpatient and observation admissions across a single community hospital system from October to December 2025, reviewed as written; dollar figures are expressed per 1,000 discharges. DRG dollars priced at $7,000 per MS-DRG relative weight (CMS national standardized amount) on CMS FY2026 IPPS Table 5 weights; substitute your blended base rate to reprice. One DRG severity move per chart, and CC value is never stacked on an MCC. Capture opportunity and denial exposure are separate pools and are never summed. Findings that depend on a physician's response to a query are reported as conditional and excluded from every figure above.

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