NORWOOD



10 Things To Know

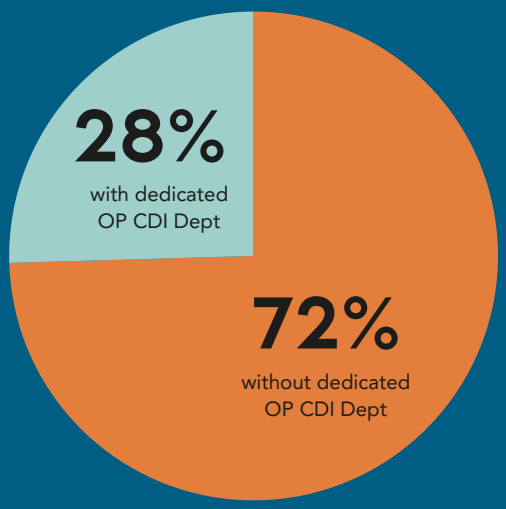
Before Starting Outpatient CDI

10 Things To Know Before Starting Outpatient CDI

Introduction

If you've known me for any length of time, you know, I'm a numbers guy.
I went to school for predictive analytics. Statistics are my jam.

Numbers tell a story. Sometimes a good story, sometimes bad… and sometimes just plain unbelievable.



Here's a number I just can't believe:

Only 28% of respondents to the ACDIS 2026 CDI Week Industry Report stated that their healthcare organization had a dedicated OP CDI department

Now that's one number that is far too low.

The good (?) news is, **72% of healthcare organizations are leaving patient severity and revenue on the table, ripe for making a big impact.**

With the big caveat: As long as they set themselves up for success. Which means getting a strong foundation laid.
Not the whole structure, but a reliable base on which you can build.

It's a lot easier to do something right the first time than to fail at launch, and have to begin all over again.
Especially when your customers are skeptical physicians.

In that spirit, I offer up 10 Things To Know Before Starting Outpatient CDI.

It represents some of my boiled-down wisdom and lessons learned from Norwood's Risk Adjustment /Outpatient CDI Playbook.

Plus, everyone likes a good Top 10 list.

Our team has collaborated with some 50 OP CDI organizations and learned a lot along the way.

If you need advice or help—or are in that 72% without OP CDI and want to get started—contact me at jason@norwood.com. One organization with whom we're partnered will receive an estimated $9.6M of additional care funding by year's end due to our joint OP CDI efforts.

OK, on to the Top 10.



Jason's Top 10 Things To Know Before Starting Outpatient CDI

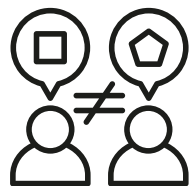
Here is my recommendation:

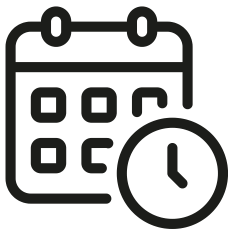
Note this does not constitute legal advice nor any official policy of Norwood or its partners

1 Outpatient CDI Is NOT Inpatient CDI

Though they share many things in common, outpatient CDI is not inpatient CDI. Chronic conditions account for a larger amount of a patient's risk score. Encounters are shorter. Metrics are different. A lot of conditions important in the OP setting won't move the DRG.

You can't just port over your experience from IP to OP and expect the same results.





2 Patient Scheduling Is Critical

Just seeing patients annually, even without a CDI review, is half the battle. Following up on missed appointments is critical.

Best Practice Tip: On January 1st of every year identify what percentage of your patients' risk-based contracts have a scheduled PCP appointment.

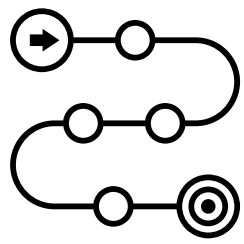
Recently we did a retrospective review of one organization. We looked at the percent of the known chronic conditions that were captured for those who entered the yearwith a visit scheduled vs those that didn't. The patients with visits that were on the books by 1/1 drastically outperformed those who didn't.

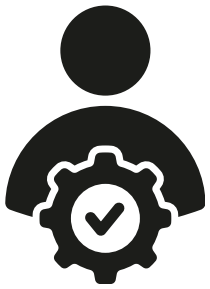
3 The ROI of OP CDI is Real But Takes Much Longer To Realize Than IP CDI

Most CDI programs focus on CMS-HCC capture (47%, per the ACDIS 2026 CDI Week Industry Report), followed by their Risk Adjustment Factor (RAF) score year-over-year (43%).

Note year-over-year; OP CDI ROI operates on a much longer timeline. You have opportunity over an entire year of episodes to capture conditions. You have to capture them at least once, but best practice is twice.

You might need to wait 16 months or more to see impact. But make sure to celebrate all successes, however small, early, often, and publicly.





4

Good People Are Critical But Come With Tradeoffs

You will have to determine whether you want to staff your review team with nurses, HIM/coding professionals, or some blend of the two.

Nurses often come with deeper clinical knowledge and provider relationships, but coders possess stronger knowledge of coding guidelines and CMS regulations. Nurses also typically command higher salaries.

And you'll need to work closely with clinical leadership, operational leadership, and population health.

You should view them as part of your team.

5

A Great Process Is Equally Important As People

Per ACDIS 40% of respondents perform chart reviews prospectively, teeing up providers in advance of the patient visit with conditions that need to be re-addressed, or suspect conditions in need of confirmation or clinical validation.

Another 29% also do retrospective reviews, and 10% do them concurrently. Prospective and concurrent reviews are your best bet…

… but it does require more intensive staffing and technology than retrospective work and provider education.





6

Technology Will Make A Good Or Bad Practice Go Faster

Operations and technology must be aligned.

Linked below you'll find a paper I wrote on this subject, *Point of care technology: Top 10 Best Practices*. One of my top tips: Ensure providers can opt out of addressing conditions when appropriate or not clinically relevant. Give your providers a pass for when they don't know. Note that ignoring prompts 80-100% of the time is a problem.

Ambient AI has been a big success in the OP CDI space, where documentation time is even further compressed.

An Exclusive Invitation:

Norwood Outpatient CDI Roadshow



At AHIMA 2026 I demonstrated the substantial financial impact a healthcare organization experienced after implementing our outpatient CDI program.

Even better: I've taken that presentation and condensed it down into a can't miss, 30-minute slide deck that I'd love to share with you.

Connect with me over email and I'll find a time that works with your schedule.

Bring your leadership team and expect 2-3 actionable items you can use right away.

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consulting@norwood.com

You Must Align With Organizational Financial And Quality Objectives, But Not At The Expense Of Accuracy

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We believe OP CDI programs should focus on risk score accuracy by simultaneously evaluating how to maximize revenue and mitigate risk.

You should be looking for ways to capture what the patient has and not capture those conditions that are no longer clinically relevant.

Segment these out by 1) Opportunities, 2) Clarifications, and 3) Risks (see Figure 1).

We believe that every organization should get every penny it deserves, just not a penny more. Clinical accuracy must be your north star. Add conditions when appropriate and remove unsupported conditions.

Keep your problem lists clean and up-to-date.



Simultaneously Maximizing Revenue + Mitigating Risk

Norwood's philosophy is that the only CDI program approach acceptable is one that focuses on risk score accuracy. The CDI team embodies this, and statistics show that the activity the team is doing is having a tremendous impact to prompt clinicians to address clinically relevant conditions, reduce risk by suppressing unsupported conditions, and also seek clarity for diagnoses.

Definitions for CDI Query Metrics

Opportunity - These are conditions CDI has identified that clinicians should evaluate and ultimately document/bill as appropriate. These conditions are not on the problem list and reflect an opportunity to increase risk scores in alignment with the patient's complexity

Clarification - These are conditions that are clinically relevant but a different diagnosis is recommended. These are often tied to condition specificity or clinical evolution. These clarification support risk score accuracy and balance risk score and compliance.

Risk - These are conditions that the CDI team has identified that are no longer clinically supported or are suspects that would prompt to clinicians unless suppressed. Removing these helps prevent inappropriate capture and enhances compliance.

Volume of CDI Prompts for Clinicians

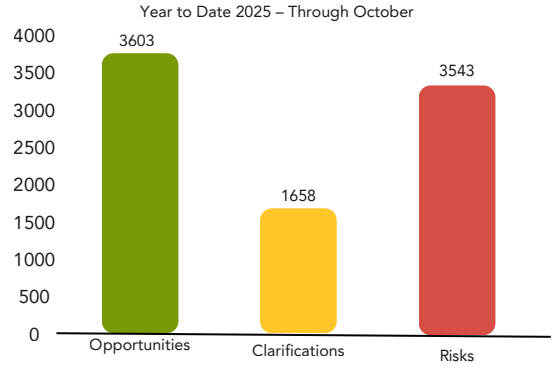
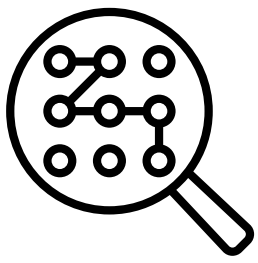


Figure 1

Data Patterns And Analytics Are More Important Than Any Single Encounter



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Depending on the size of your organization you will have patient encounters in the hundreds of thousands annually; no single encounter "matters" but accumulated trends do.

We like this CDI Week Q&A from ACDIS on outpatient CDI and risk adjustment, and the assertion by Michele A. Hamilton, RN, CRC, CCDS-O, that volume of chart reviews alone does not determine impact. We agree with the statement that CDI professionals must become increasingly comfortable with data analytics and quality metrics in addition to traditional chart review.

"The most successful CDI specialists will be those who can connect documentation integrity to organizational outcomes," Hamilton adds.

You Can Be Different, But You Must Be Defensible

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Knowing your data is not just critical for tracking RAF or keeping tabs on financial metrics, but also for compliance trends and your audit risk.

Our recent audit of one healthcare organization revealed a substance use disorder rate more than four times the national average. Compounding performance, we noted that 58% of those conditions were addressed only once in a calendar year (see Figure 2).

If you are a significant outlier from your peers, it may be because you are doing outstanding provider education or fantastic chart review work. But you will attract attention from auditors—including possibly the Office of Inspector General.

Sample- Prevalence Rates Comparison

The example below is an example of a real comparison Norwood did for a partner. This analysis started at the clinical category level. The organization in question had a substance abuse rate more than 4 times the national average. Compounding performance we noted that 58% of those conditions were addressed only once in a calendar year. The organization was immediately able to identify the risks, evaluate documentation accuracy, and revise provider education.

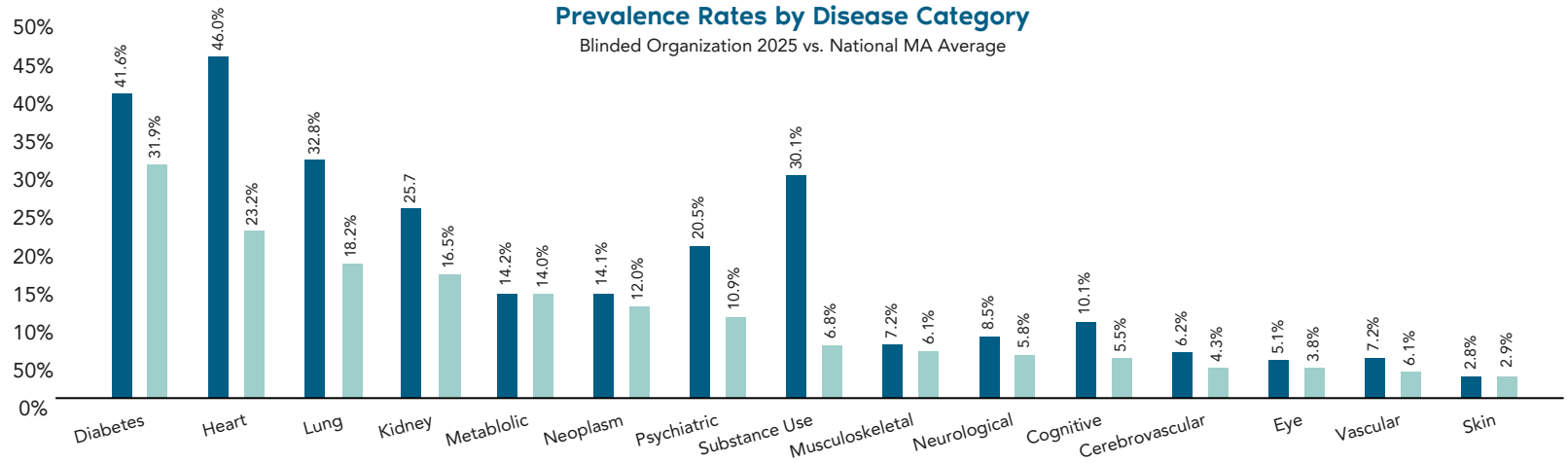


Figure 2

Provider Engagement Is Your No. 1 Priority.

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You will be engaged with more providers in the outpatient setting than inpatient and likely involved in fewer 1:1 interactions. More than likely your CDI review staff will be offsite. And everything you do will be dependent on provider documentation and buy-in.

That makes provider buy-in a challenge.

The good news is, tools like Zoom and Teams make strong connection possible. But you must be intentional with engagement. Consider a "CDI Office Hours" weekly call or even hiring dedicated CDI educators.

The investment will pay off in the long run. Another great strategy: Appoint CDI physician champions or a physician advisor. Peer-to-peer influence outperforms top-down messaging, every time.

Bonus Tip:

Start Small, Keep It Simple, And Build.

Keep the message simple at first — one foundational idea ("every diagnosis should earn its place in today's note") before layering in HCCs, RAF, and MEAT.

Invest in relationships before accountability — trust with providers, clinic managers, coders, and ops leaders make hard conversations easier later. And standardize the core, your PCPs, before customizing by specialty.

A Final Thought..

Outpatient CDI is inevitable.
Procedures are being driven to ambulatory/outpatient settings, accelerated with the steady erosion of the Inpatient-Only List, slated to be removed entirely on Jan. 1, 2028.

The number of patients enrolled in Medicare Advantage has surpassed Traditional Medicare in 2023, per Kaiser Family Foundation data.

Even though the ACDIS CDI Week Industry Overview Survey showed a slight decline in the number of healthcare organizations with a dedicated OP CDI department (30% down to 28% YOY), CDI must follow the care curve and the settings in which it is rendered.

The writing is on the wall, and the time has come, for widespread outpatient CDI adoption.

About The Author



Jason Jobes, MSPA

is the Senior Vice President of Norwood Solutions and oversees all solution partnerships and delivery for Norwood's healthcare partners.

These partnerships focus on bringing health to hospitals' bottom lines, improving performance across the revenue cycle and value-based care terrains.

During his career, Jobes has delivered over $500 million in return on investment for partners.

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Partner Testimonials

Don't just take our word for it, here's what some of our partners have said about working with Norwood for their CDI needs.

"CDI's partnership has been crucial to the VBP team as we start to map out opportunities for process improvement around VBP performance and risk adjustment.

Shirley and Janice have already helped us identify a few high-value projects and we are confident that their structured approach to documentation improvement and positive rapport with providers will continue to be invaluable to us."





"I'm very excited to now have our team working with the OP CDI group.

This is a great opportunity for our providers to get dedicated time with personnel that have a deep understanding of the documentation, billing and coding process which is critical to our financial success as well as to raise our ability to document precisely from a clinical perspective.

Providers are typically focused most heavily on the care of the patient and their clinical outcome, and rightfully so, however, it's great our folks are getting some assistance to broaden their knowledge and comfort level to appropriately document and bill since that is a critical component of the overall process as well."

"OP CDI has been instrumental in improving accurate documentation and ensuring that providers are accounting for all HCCs for any given patient.

It also gives the providers insight on what changes we can make in our documentation to help improve risk stratification."



References & Resources

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