Encoders use one of two coding methodologies: knowledge-based or logic-based. To understand which is best for your organization, consider the following features of each.

**LOGIC-BASED**

A logic-based encoder guides the user to a code through a series of simple questions, each based on the preceding answer. This option is often believed to be a practical choice for less experienced coders who do not have a mastery of complex medical conditions or procedures.

Features:
- Uses a coding process that is determined by the software’s proprietary logic and design.
- Assigns codes based on the user’s responses to a series of questions.
- Allows coders to collect multiple associated codes in one session.
- Offers access to resources in a variety of ways, depending on where the user is in the coding process.

**KNOWLEDGE-BASED**

A knowledge-based encoder provides the official code sets as they are published by the cooperating parties, which assists the user in selecting the appropriate code. This can be a more efficient option for experienced users who know what they are looking for and the appropriate terms to use.

Features:
- Utilizes a coding process that is determined by each coder’s preferences and experience.
- Offers greater ease, accuracy and familiarity to coders who are trained using the code book.
- Promotes the proper use of coding conventions, which supports good coding practices.
- Provides instructional notes and access to resources at the point of coding.

While both logic-based and knowledge-based systems provide the official code sets and access to essential references and edits, there are fundamental differences between the two methodologies. To identify which system works best for your organization, keep these differences in mind.