

# From the Front Lines

## Important Considerations for ICD-10 Implementation

### *Question and Answer*

Edifecs Client Services Team

## Introduction

As the transition to ICD-10 starts to pick up steam among healthcare organizations nationwide, Edifecs is working with several customers on their ICD-10 implementations. The Edifecs Client Services team is on the front lines of ICD-10 implementation and is in perfect position to share the best practices that are starting to emerge. Below is a Q&A with members of the team.

## What are the similarities and differences between HIPAA 5010 and ICD-10 implementation?

HIPAA 5010 affects electronic data interchange (EDI) among payers, providers, clearinghouses and other healthcare organizations. These changes are primarily limited to the format of transactions and ability to receive certain additional fields in these transactions. HIPAA 5010 also allows ICD-10 codes to be sent as part of healthcare transactions.

While several organizations took advantage of HIPAA 5010 to replace their front-end channels with more technologically advanced solutions, the impact of 5010 beyond EDI is limited; therefore, 5010 implementation is typically addressed as a technology project.

On the other hand, ICD-10 has far-reaching impact across a number of processes and divisions within the organization. An ICD-10 implementation project will need to consider the impact to all associated systems, business processes, business models, medical policies, provider contracts, and reimbursement processes.

Such an implementation is a multi-year, multi-department effort requiring a strong program management office (PMO) and a combination of business and technical leads on the project team. It should be executed as a business transformation project, rather than a technology project.

Several tools and technology products exist to facilitate ICD-10 migration, including those that can help mitigate risk, accelerate migration and improve decision making during the project by providing greater access to project information.

## How does the Edifecs 5010 solution serve as a strong foundation for ICD-10 implementation?

When serving as a foundation for ICD-10, the most important requirements of a 5010 solution is to have built-in data validation, data visibility and a solid tracking system. The 5010 format is a prerequisite for any healthcare organization to receive and send ICD-10 codes in electronic transactions, so a solution like Edifecs 5010 is an ideal precursor to ICD-10.

For example, Edifecs captures all data that enters and leaves an organization and presents it as useful information. This information can be used in many ways during the ICD-10 transformation project: risk analysis, prioritization of high-risk areas, running what-if analyses, creating test data, data de-identification and run-time code translation.

## What are some of the potential pitfalls to avoid in an ICD-10 implementation?

ICD-10 has far-reaching consequences for an organization, and there can be some significant pitfalls:

- **Don't underestimate the technology solution requirements:** There are numerous pieces of literature dedicated to the idea that ICD-10 transformation is a business problem, rather than merely a technology problem. While this is true, the solution eventually will require the right types of technology. Healthcare entities should not make the mistake of ignoring the technology requirements. Healthcare organizations should consider both business and technology aspects during project planning. Technology decisions such as system changes, tool selection and the opportunity to optimize existing systems should be part of the planning and execution phases, alongside business analysis.
- **Don't underestimate the testing effort:** It's generally accepted that testing is a significant portion of ICD-10 implementation. One aspect overlooked is the requirement to manage test data, test scenarios and system reset between cycles. Successful ICD-10 testing requires an iterative approach, with ongoing rules adjustment to achieve neutrality. It is imperative that testing teams are well aware of what systems are involved and can then reset factors for each run (factors such as benefit max or accumulators). Generating test data to capture a variety of scenarios and coupling it with risk factors so that high-risk aspects have better coverage will help streamline testing efforts. In addition, automating test runs using tools such as Edifecs ICD-10 Testing will help manage test cycles more effectively.
- **Don't assume a crosswalk will be a quick, stopgap solution:** There is no single crosswalk that can cater to the entire organization. So assuming that a comprehensive, all-encompassing crosswalk can be developed as a stopgap solution for ICD-10 remediation is mired with pitfalls that may not become readily apparent until it's too late. Healthcare organizations also need to understand that implementing a crosswalk solution may still require the same level of investment in impact analysis, risk management, technology and system changes as a full remediation.
- **Understand ICD-10 is a multi-year project:** Organizations should realize that ICD-10 transformation is a multi-year program. As with all multi-year programs in large enterprises, there are risks involved such as leadership changes, delayed benefits, back-loaded project plans, etc

## How does an end-to-end solution such as Edifecs ICD-10 help define or simplify the implementation strategy? How can it decrease the likelihood of issues during and after implementation?

Since ICD-10 implementation will affect nearly every function in the healthcare value chain, it is very important for any healthcare organization to have an integrated, end-to-end ICD-10 solution. Such a solution encompasses a broad range of needs, such as data analysis to determine financial and operational neutrality, code mapping, and test data management as a part of an integrated strategy. Having separate solutions is not ideal. Integration during each implementation phase of an ICD-10 program is problematic for point solutions. The lack of integration creates many issues in handling ICD-10 changes in systems and business processes. As organizations near their remediation efforts, comprehensive testing will form the basis of successful ICD-10 migration, and—as the saying goes—you can't test what you don't know. It's very difficult to test all unknowns if an end-to-end solution is not driving the ICD-10 implementation strategy.

## What are the advantages of vendor solutions versus proprietary (in-house) solutions?

- **Cost and business interruptions:** Vendors typically develop their solutions using thorough analysis of commonly identified problems that most healthcare organizations will face. Vendors conduct extensive consultations with prospective clients and experienced industry consultants. This business expertise, coupled with thorough analysis of possible issues from a holistic program perspective, gives vendor solutions an advantage over in-house solutions. While organizations can create their own in-house solution to meet immediate needs, the longer-term investment is much higher than a vendor solution. Vendor solutions are backed by greater organizational commitment, which provides greater long-term viability of the solution for the client.
- **Business transformation, change management:** Vendor solutions are designed with a typical product lifecycle in mind, including proper upgrade processes and change management procedures for feature/function updates and incorporation of client-requested improvements. In-house solutions typically don't have the same level of resource and financial commitments in place to manage upgrade and change management processes over the long term.
- **Expertise / experience in building such a solution:** Vendors typically rely on highly experienced industry consultants and subject matter experts, along with extensive primary and secondary research to build a solution that would suit the business and technical needs of prospective clients. Though not impossible, it would be incredibly difficult for an in-house team to have that same expertise, especially since they will not have the benefit of going through multiple ICD-10 implementations. The other issue for an in-house team is the possibility of having multiple projects and conflicting priorities.

## How important is it for an implementation team to have code knowledge and training (certified coders) during and after ICD-10 implementation?

ICD-9 to ICD-10 transformation is a code set version upgrade with widespread ramifications. These codes will be used across the organization. It's critical for coders to have as much knowledge of medical procedures and anatomy as possible, due to the increased clinical specificity of the new code sets. It all starts with having the right expertise—organizations need coding professionals who have worked with the code sets, understand the hierarchies and know how to navigate the coding structure. Only a coder trained in both ICD-9 and ICD-10 will be able to make informed suggestions that address possible issues in during implementation. Coding experts with thorough knowledge of the new code sets and coding guidelines will form the backbone of any successful ICD-10 migration.

### About Edifecs

An industry leader since 1996, Edifecs provides healthcare software solutions that improve operational performance by streamlining the exchange of information between health plans, hospitals, and other healthcare organizations, while enabling compliance with current mandates such as HIPAA 5010 and ICD-10. Today, more than 250 healthcare customers use Edifecs technology to unify transactions from any information channel source and input mechanism, while automating manual business processes such as enrollment, claims and payments management.

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