A Case Study on Implementing ICD-10: Challenges and Lessons Learned

Ross Lippincott, VP
Regulatory Implementation Office
ICD-10 Challenges

✓ Code Mapping and Configuration
✓ Testing
✓ Operational Readiness
✓ Training/Communications/Provider Readiness
✓ Business Continuity Risk
WHAT’S LEFT FOR UHG?

✓ Load Codes to Test Environments (now - March)
✓ Load Codes to Production (April - August)
✓ Operational Readiness Impact Assessments (Feb - July)
✓ Internal Compliance and Neutrality Testing (now - Sept)
✓ Reconciliation Testing (April – Sept)
✓ Business Partner Testing (April – Sept)
Code Mapping
Code Mapping

- Enhanced GEMS with missing codes
- Created “forced mapping” from 10 to 9
- Literally millions of mapped codes to review
- Challenges with code ranges

Lesson Learned:

- Start early
- Don’t under estimate effort
- Hire sufficient coding resources to conduct review
Testing
ICD-10 Business Testing Status

✓ Completed Internal Test plans for execution.

✓ Over 14,000 test cases across all platforms.

✓ Tracked & managed completion of nearly 20,000 business owned UAT scenarios.

✓ Defined Test Strategy to support Financial and Operational Neutrality.

✓ Completed DRG Reimbursement Shift Analysis.

✓ Defined Program Business Partner Test Strategy.
External Partner Testing
A Multi-Phase Approach

1. DRG Comparison & Revenue Shift Analysis (9/2012 – 12/2013)
   - Partnership with providers to identify, evaluate and predict the impact of coding conditions that may generate an ICD-9 to ICD-10 DRG shift.
   - UHC extracts a selection of adjudicated claims that include frequently used ICD-9 codes, and the hospital uses medical records to natively re-code claims in ICD-10.

   - UHC will process a small volume of ICD-10 coded test claims through claim platforms with additional selected Facility and Medical providers.
   - This test phase allows providers to practice coding ICD-10 claims and to evaluate payment results for selected diagnosis and procedure codes.

   - End-to-end testing is designed to replicate the production flow of ICD-10 test claims from select providers through clearinghouses and payer claim systems to verify provider, vendor, clearinghouse and payer system readiness and claim results.

- Collaborating with selected external providers to follow a multi-phased test approach.
- Identify and mitigate a unique dimension of ICD-10 business risk.
- Findings and recommendations will be shared via provider portals, other communication channels.
In June 2013, UHC wrapped up DRG shift testing with the first set of facilities. Initial test produced a DRG shift for over 7% of claims. Final results indicated 0.5% valid shift in DRGs when compared to ICD-9 paid claims.

Lesson Learned:

Correctly coded claims will pay the same with ICD10 codes (or extremely close)

Incorrectly coded claims have a risk of paying incorrectly
Operational Readiness
ICD-10
Operational Readiness Assumptions

Workloads Most Likely Impacted
- Workloads directly related to brokers/employers, claims/appeals/grievances, payment integrity, constituent services/call centers, state government transitions, provider experience, clinical case complexity.

General Workload Estimations
- Spike will start 1-2 weeks after deployment.
- Workloads will increase 5-10% during spike.
- Spike will last ~6 months, with a decline during months 3-6 after deployment.
- By Sept 2015 workloads will level off with an overall increase of 1-3% compared to pre-deployment (“new normal”).
ICD-10 Operational Readiness

✓ Using these assumptions, estimated impact to business operations in support of ICD-10 production deployment at UHG.

✓ Hiring underway for these positions.

✓ Conducting Operational Impact Assessments

✓ Confirmed impacted (and not impacted) processes
  ✓ Example: pre-authorizations not impacted
Training and Communications
Provider Readiness
ICD-10 Training and Communications

Training
• **Code Set Specific Training**: 3,000+ UHG employees that are certified medical coders.
• **ICD-10 Operational Training**: Available to employees in 2014
• **Code Look Up Tool**: ICD-9 to ICD-10 UHG mapping.

Communications
• State Communications
• FAQs
• Video Awareness Series “There’s a Code for That?”

**Link**: Frontier > Corporate Departments > Regulatory Implementation Office

---

**ICD-10 Codes**

- Y93.G2  *Injury while grilling*
- Y92.017  *Yard in single family house as the place of occurrence*
- S00.12xA  *Black eye, left eye*
Communication Outreach

Robust Provider Communications & Outreach Activities

- Face-to-Face Provider Outreach & Town Halls
  - 37 States – 18 months – 10,000+ providers

- Public Outreach Internet site
  - Targeted for Providers
  - Free Training Materials
  - Industry Information

- General Mailbox for ICD-10 Questions
  - icd10questions@uhc.com

- Extensive Provider Advocacy Network

- Educational Webinars

- Active Industry Collaboration

- Focus on Clinical Documentation Initiative programs as far in advance of the deadline as possible

- Documentation is key

- Documentation can be improved immediately, and benefits would be recognized even in the current ICD-9 world

- Recently deployed code mapping tool based on UHG crosswalk
Vendor Readiness

✓ Must communicate with vendors

✓ Keep pressure on regarding delivery dates

✓ Must deliver not just promise

✓ Consider replacing vendor if reasonable delivery date can’t be confirmed

✓ If not delivered by 3/31/14, provider at high risk for meeting compliance date (implementation, configuration, testing could take several months)
Business Continuity Risk
(aka “Contingency Planning”)
ICD-10 Business Continuity Risk

Contingency Planning

Critical risk scenarios requiring contingency options:

- Small Providers aren’t ready (if hundreds, what is the correct response?)
- Large Facilities aren’t ready (what is the impact to members/patients?)
- State Medicaid aren’t ready (is rejecting claims truly an option?)

Health Plans are not in alignment on response strategies

- Some plans taking the compliance approach: non-compliant transactions will not be processed
- Some plans are looking for flexible alternatives (dual processing) but have legitimate concerns (COB / secondary payer, CMS reporting, system constraints, etc)
- Some plans (and clearinghouses) have suggested crosswalking but must address the inherent problems this brings (legal risks, etc.)
ICD-10 Business Continuity Risk

What Can Be Realistically Expected / Planned For?

☑ Push the date?  Does not address the core issue unless paired with Action Plans that lagging organizations can be held to. Would negatively impact “ready” organizations.

☑ Dual Processing?  CMS and other payers have not implemented system changes and data configuration required to support this option. Insufficient time to address at this point.

☑ Other options?
ICD-10 Business Continuity Risk

UHG Contingency Planning

✓ Enter claims via UHG portal
✓ Submit via paper
✓ CMS free eBilling software
✓ No new claim edits
✓ No new “specificity” edits
✓ No new edits for additional documentation
THANK YOU!

Ross Lippincott, Vice President
Regulatory Implementation Office
UnitedHealth Group

ross_lippincott@uhc.com