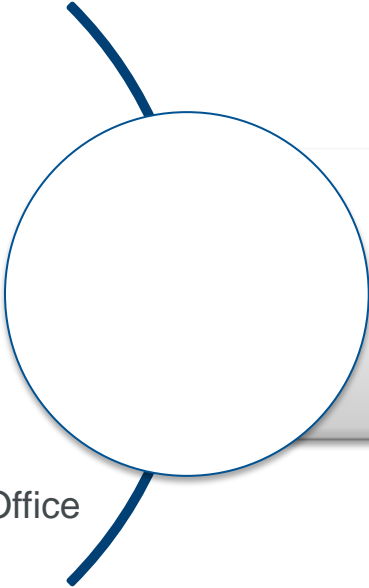




Ross Lippincott, VP
Regulatory Implementation Office



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

ICD-10 Challenges

- ✓ Code Mapping and Configuration
- ✓ Testing
- ✓ Operational Readiness
- ✓ Training/Communications/Provider Readiness
- ✓ Business Continuity Risk

10/1/2014 Fast Approaching



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



- *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.*

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.

2

Test Claim Processing (3/2014 – 9/2014)

- 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.

3

“End-to-End” Claim Process Flow Testing (4/2014 – 9/2014)

- 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.

External Partner Testing

What Have We Learned?



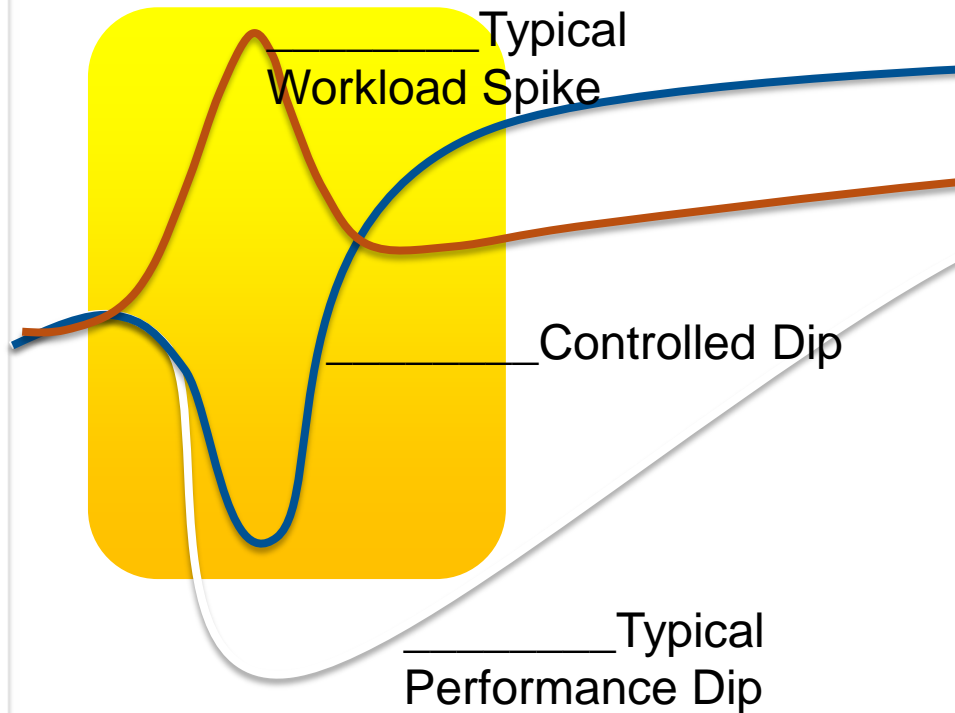
- ✓ In June 2013, UHC wrapped up DRG shift testing with the first set of facilities.
- ✓ Initial test produced a DRG shift for over 7% of claims.
- ✓ Final results indicated 0.5% valid shift in DRGs when compared to ICD-9 paid claims.

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?**”

There’s a Code for **That?**



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

The screenshot shows the UnitedHealthcare Online portal. At the top, there's a navigation bar with links for Practice/Facility Profile, Physician Directory, About Us, Contact Us, Help, and UnitedHealth Premium. Below this is a user login section with fields for User ID and Password, and a LOGIN button. The main content area is titled 'HIPAA 5010 and ICD-10' and features a 'Resources' section with a link to '5010/ICD-10 Frequently Asked Questions - updated Aug. 24' and an 'External Links' section with a link to 'AAPC ICD-10'. The page also includes a 'Printer Friendly Page' icon.

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's 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!



QUESTIONS?

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