

## The Benefits of Using the Independent Verification and Validation Framework



The move from ICD-9 to ICD-10 promises long-term benefits in efficiency and accuracy, but also poses a complex readiness challenge for health care organizations. Across the industry, business partner testing and operational preparedness impact this readiness effort, and are critical to the overall success of the transition to ICD-10.

As health plans begin ICD-10 implementation, internal applications, processes and operations that support core business functions must be remediated. The challenge lies in the fact that the operational and financial risks posed by ICD-10 are both significant and unpredictable.

Health plans should consider an additional tactic in their ICD-10 readiness plan — independent verification and validation (IV&V). This extra step will help ensure a product or system meets ICD-10 requirements and specifications and is compliant with the ICD-10 mandate. It can help minimize enterprise risk, ensure business process continuity and verify compliance to the CMS Oct. 1, 2015, conversion deadline.

ICD-10 post-remediation validation assesses the quality of remediation and readiness across people, processes and technology. IV&V focuses on applications and products, as well as processes and people-related impacts upon the applications' usage. This focus would include verification of the applications, additional software and the overall integrated environment. The workflow and business processes overlying these deployed/hosted applications are also assessed. Since each health plan is different and has its own set of priorities, dependencies and challenges, the IV&V components for each organization need to be customized. Yet, the following framework can be applied at large.

The key to successful ICD-10 readiness is to manage the risk of the entire program — including remediation, testing, business partner testing and operation — to deliver as much predictability as possible to internal and external stakeholders.

IV&V should be performed in a staged manner, starting from a program level to an application level as needed in phases. The IV&V framework covers the following areas to focus on compliance:



- **Business Requirement Documentation**

This stage centers on the requirement management lifecycle to ensure that requirements are properly captured, analyzed, managed, communicated and documented to make certain that ICD-10 compliance is achieved. Gaps in a requirement phase are the leading cause of program failures. This documentation process uncovers risks that might arise due to gaps in requirement engineering.

- **Product Remediation**

The emphasis in this stage is on assessing the remediation methodology and analyzing the engineering practices and solutioning approach. IV&V plays a significant role in validating the solutioning approach and ensuring that solutions are long lasting and not merely a quick fix.

- **Product Testing**

In this stage, health plans should focus on evaluating the testing strategy approach, methodology and tools used. Effective ICD-10 testing must concentrate not just on technical requirements, but also on business objectives, such as clinical equivalency, benefit neutrality, financial integrity and operational stability. Applying the IV&V framework tests across the spectrum to cover functionality, business and integration testing helps to confirm systems are ready for ICD-10. It also tests if the business and systems are ready with a comprehensive test strategy and execution plan.

- **Business Partner Testing**

Unlike traditional IT-centric testing, some health plans may lack expertise in collaborating with external entities for business testing. Readiness and predictability of multiple vendor systems and intermediary processing through claim pathways adds to this complexity. This IV&V component centers attention on analyzing this collaborative effort and testing plans to make certain that the health plan is ready for ICD-10.

- **Migration Planning**

Migration to ICD-10 requires an integrated enterprise-wide approach. The overall plan will balance industry deadlines, internal business requirements, trading partner readiness and vendor schedules. Migration plans may not address every contingency but will reflect business priorities and resource availability. Health plans can use the IV & V construct to analyze competing priorities and identifies risks to minimize operation and financial disruptions. The IV&V framework helps health plans to analyze organizational preparation and the ability to successfully manage the go-live phase, and highlights potential risks that can derail ICD-10 migration.



- **Training**

Training and awareness surrounding the new code structure is vital to any planning or remediation efforts. The impact of this coding change will not only directly affect customer coding staff, but will also impact business functions such as claims adjudication, configuration, analytics and reporting, among others. Training will play a significant role in determining an organization’s ability to successfully migrate to ICD-10 as it primarily impacts staff functions.

- **Go-live**

Go-live with ICD-10 will require the attention of senior executives and the need to make rapid decisions. Command centers and the ability to monitor system and process failure will require dedicated resources. The focus will be on minimizing impact to consumers/patients, as well as monitoring financial and operational impact.

**Realizing the benefits of the IV and V framework**



Health plans that take advantage of the independent verification and validation framework, with its unique approach and best practices, can help detect enterprise risks early, and establish a well-planned, risk-based coordinated plan to efficiently and effectively comply with the ICD-10 mandate.

Plans will continue to realize the benefits beyond ICD-10 implementation as the value delivered by IV&V continues to be realized for years to come.

---

To learn more about how your organization can take advantage of independent verification and validation in the transition to ICD-10, please contact us at **800-765-6807** or **empower@optum.com**.

---



11000 Optum Circle, Eden Prairie, MN 55344

Optum™ and its respective marks are trademarks of Optum, Inc. All other brand or product names are trademarks or registered marks of their respective owners. Because we are continuously improving our products and services, Optum reserves the right to change specifications without prior notice. Optum is an equal opportunity employer.

© 2014 Optum, Inc. All rights reserved. OPTPRJ5898 10/14