

ICD-10 Remediation: Post Go-Live Activities



How prepared are we?

That question is on the mind of anyone involved in the transition from ICD-9 to ICD-10. There are specific steps you can take to develop a robust program for ongoing monitoring of the cost and operational impacts post go-live. This white paper identifies key actions to help ensure a smooth and successful transition.

Monitoring for Operational Neutrality

Take steps to monitor day-to-day operations for quick identification and resolution of large operational variances. This can be accomplished by leveraging the Key Performance Indicator (KPI) metrics and baseline data collected prior to go-live.

As part of routine operational readiness, you should define:

- KPI metrics used to monitor performance
- Current state of KPI metrics using 12 months of historical data (this data will be used as the baseline data to monitor daily operations performance post go-live)
- Thresholds and allowable variances
- Contingency plans by functional area to address variances outside of the acceptable limits
- An Operations Command Center

Defining the KPI Metrics Baseline

KPIs allow you to measure performance and understand how resources are being utilized to reach the plan's objectives. To define KPI metrics for on-going monitoring:

- 1 Review your staffing model to identify gaps.
- 2 Hold working sessions with functional area leads and subject matter experts (SMEs) to discuss employee productivity thresholds.
- 3 Gather all tools that each area uses to measure service levels.

The collected metrics represent the KPIs that you can then use to measure overall plan performance. Engage cross-functional teams to determine which KPIs are meaningful for measuring ICD-10 readiness and impact monitoring.

As a rule, 12 months of historical KPI metrics should be used to establish baseline measures taking into account seasonal trends. Define KPI tolerance bands as well as contingency plans if a KPI begins to show anomalies. Develop contingency plans to assess which action to take in the event of an anomaly (specifically, those actions are do nothing, monitor, or take action). If the action is to monitor, define how the monitoring will occur and how impacts of actions taken will be tracked and assessed ongoing.

Determining What to Monitor

KPIs are key indicators to business performance therefore the decision about which metrics to monitor should be based on the metrics that are influenced by drastic coding changes, such as claims payments or customer interactions. By monitoring organizational metrics that are likely to shift between pre and post implementation, you can gain insight into the impacts of ICD-10 coding. For example:

Customer service and claims

- Increase call volume (document reasons for calls), wait time, shift in provider portal usage
- Increase/Decrease in claim volume (IP, OP, professional), daily paid out amount, check volume, denial rates, pend rates, auto-adjudication rates, claim turn-around-time (TAT), coding (use of unspecified codes)

Financial and trending

- Claims lag (IBNR), changing in case mix, DRG shift, disease management programs (identification/enrollment shifts)

Though some impact to KPIs is to be expected, any drastic changes will require organizational attention. For example, an increase in call volume may necessitate a temporary boost in customer service staffing and an increase in patient and provider education/communication. Some remedies will be temporary and easy to implement while others may require more extensive operational updates.



Maintaining Accountability for On-going Monitoring

The Operations Command Center

Conceptually, a command center is a source of leadership and guidance to ensure that service and order is maintained, rather than an information center or help desk. The command center achieves its tasks by monitoring the environment and reacting to events — from the relatively harmless to a major crisis — using predefined procedures.

To get started:



- Establish meeting schedule (daily touch base)
- Define staffing
- Educate staff on:
 - Roles and responsibilities
 - Protocol/workflow
 - KPI metrics, thresholds and allowed variances
 - Contingency plans (review risks – understand when to implement contingency options)
- Create issue list and feedback loop to resolve any identified issues in a timely manner
- Communicate the monitoring plan and purpose of the command center across your organization

Creating the Operations Command Center team

The Operations Command Center should be made up of SMEs who have responsibility for functional areas monitored by the KPI metrics. These individuals have a clear understanding of what the variances mean and the steps that should be taken to thoroughly investigate. They could be the business analysts who perform the investigation; at a minimum, they should have the expertise to initiate the process.

Operations Command Center monitoring procedures:



- Review KPI metrics with real-time data and determine if results fall within the allowed variance.
- Document issues list including those variances to be investigated.
- Conduct forum for coordinated, cross-functional investigation.
- Document and confirm findings.
- Perform issue resolution management (track resolution timeliness, drive accountability).
- Define proposed resolution and next steps.
- Report findings and recommendations for next steps to leadership.
- Provide feedback to impacted areas and initiate applicable contingencies.

Implementing the above level of monitoring enables you to identify potential issues within the day-to-day operations and assess and implement corrective action and/or contingency plans.

Monitoring for Cost Neutrality

Often, organizations conduct cost neutrality assessments or predictive analysis prior to go-live. The outcomes of this analysis can be used as the baseline along with historical data for on-going monitoring post go-live.

Best practices for predictive analysis:



- Review and leverage results of analysis done by others in the industry and vendors (if applicable).
- Perform internal process to compare ICD-9 to ICD-10 coded claims making sure to utilize a good mix of claims types, particularly a variety of in-patient claims to analyze potential DRG shifts.

Regardless of whether predictive cost neutrality assessments were performed, take steps post go-live to monitor financial variations. Timely identification of impacts to finances is crucial to your ability to assess risks and develop mitigation plans. The strategy for this monitoring and assessment is similar to the information provided around monitoring operational neutrality.

Best practices for long-term analysis:



- Identify reports your organization already has in place that track increases/decreases in claim volume, daily paid out amounts and check volume (ideally this should be real data by month; this data may already be captured as part of the operational neutrality monitoring).
- Collect a minimum one year of baseline data by month for the year prior to go-live.
- Define monthly averages and acceptable variances.
- Compare outcomes from the same month to one year ago as well as month-over-month and analyze variances.
- Conduct forum for coordinated, cross-functional investigation of variances.
- Confirm findings, resolutions and next steps.
- Report findings and recommendations for next steps to leadership.

Defining what to monitor for cost neutrality

Hold working sessions with SMEs in reporting, finance and claims to identify reports your organization already has in place to track increases/decreases in claim volume (IP, OP, Professional), daily paid out amounts, check volume, etc. (ideally by month). If such reports are not available, take steps to build them.

Use a minimum of one year of historical data to establish a baseline, taking into account seasonal trends. With this data, identify the average monthly claims volume, dollars billed, claims paid, check volume, auto-adjudication rates, and expected increases and decreases. Then, using the historical data and averages, define acceptable tolerance bands for each measurement area. You may choose to collect more historical data to support the definition of typical averages over time.

Reviewing the data

Leverage the Operational Command Center for review of this data, particularly the claims statistic SMEs. In addition, engage staff with expertise in data analytics and finance to conduct cost neutrality analysis.

Similar to the strategy for operational neutrality monitoring and assessment, the team reviewing cost neutrality data should have predefined procedures and a clear understanding of historical financial and volume averages and acceptable variances for consideration. This is essential as they analyze the data and make recommendations to leadership on whether to do nothing, continue to monitor or take action when variances exceed acceptable tolerance levels.

How prepared are you?

With proper preparation and planning, your organization can experience a smooth and successful transition from ICD-9 to ICD-10 and be positioned to timely identify and address areas of risk with a clearly defined program for on-going monitoring of both cost and operational impacts post go-live.

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