ICD-10 Optimization Opportunities

Andrea S. Danes

Director, Healthcare and Human Services

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The Delay

- **January 16, 2009**
  - HHS publishes Final Rule including mandate to migrate to ICD-10-CM and ICD-10-PCS by October 1, 2013

- **April 9, 2012**
  - HHS announces a proposed rule (CMS-0040-P) that would delay compliance from October 1, 2013 to October 1, 2014
  - Also includes provisions for unique health plan identifier (HPID), other entity identifier (OEID), and add a national provider identifier (NPI) requirement
  - 30 day comment period

- To date Final Rule has yet to be published (at OMB)
Healthcare industry has been moving toward compliance for more than 3 years

Millions have been spent to
✓ Hire contractor support and/or state staff
✓ Amend provider and vendor contracts
✓ Purchase new hardware/software
✓ Communicate with trading partners
✓ Plan toward compliance

So now what?
The Plan

Revisit your existing project plan
- Did you “shortcut” activities or tasks when time was short?
- Did you create a baseline focused on minimal compliance?
- Are there opportunities to optimize around migration to ICD-10?

Update the plan
- Increase time for activities that need more time
- Expand the baseline to represent a more robust approach to compliance
- Explore opportunities to do more than “just comply”
This alone represents the first chance to leverage the delay to optimize

- Increase and improve frequency and depth of provider communications
- Lengthen testing window including detailed schedule planning with trading partners
- Collaborate with MCOs to work toward consistent approaches for providers
- Leverage new information to more effectively manage the program
The industry continues to debate the increased value of data in the ICD-10 set.

CMS and their contracted partner Noblis define information advantages:

- Additional detail
- Enhanced categorization models
- Better severity and risk definition
- More forward flexibility
- Better care management
- Better ability to integrate clinical information

Source: https://medicaidcd10.noblis.org/navigation/?cat=50
Potential Advantages

- Which could translate into the following business advantages
  - Compliance
  - Better contracting
  - Better claims payments
  - Better risk prediction
  - Better fraud, waste, and abuse detection
  - Enhanced network management
  - More accurate understanding of population health
  - An opportunity to reach out to providers to improve coding practices
Additional Opportunities

- **Remember the 90%**
  - Available enhanced funding for compliance activities, including improvement opportunities

- **Leverage to deploy newer and more efficient technology**
  - Newer claims payment system

- **Increase ability to auto adjudicate**
  - Reduce prior authorizations

- **Improve provider relations**
  - More communication
  - Working toward fiscal neutrality

- **Improve medical management**
  - Enhanced chronic care and disease management

- **Refresh policies and system logic**
  - Discover and correct years of “unintended consequences”
Thank you!

Andrea S. Danes  
*Director, Healthcare & Human Services*

Direct: (217) 698-8171  
Mobile: (217) 741-1412  
adanes@CSGdelivers.com

[www.CSGdelivers.com](http://www.CSGdelivers.com)