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change is everywhere...
opportunity is here

A Smooth Ride or A Train Wreck? Industry Readiness for 5010/ICD-10 Implementation

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Committee

August 4, 2010

transforming healthcare through IT™

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Agenda

- 5010 Survey Results
- Challenges
- Avoiding the Train Wreck
- ICD-10 Survey Results
- Best Practices

Survey

- On-Line Web Survey
- Distributed by HIMSS
- Significant AAHAM Participation
- April – May Polling Timeframe
- Total Responses – 202
- Provider Responses – 181
- Facilities = 74%, Practices = 16%

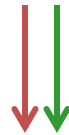
5010 Findings

My Organization Adequately Understands the . . .

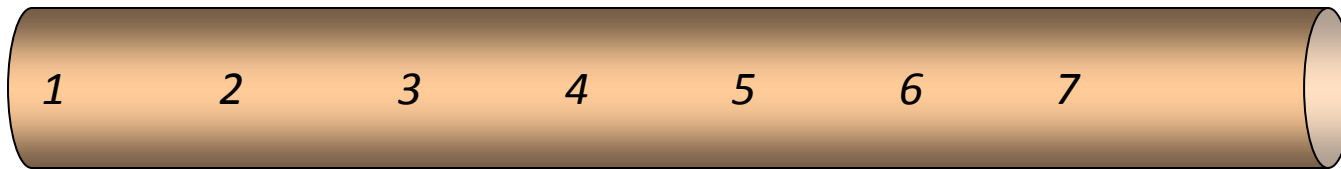
... 5010
Timeline

Nov. 09
Avg. 4.4

May 10
Avg. 4.6



Strongly
Disagree



Strongly
Agree

... 5010
Changes

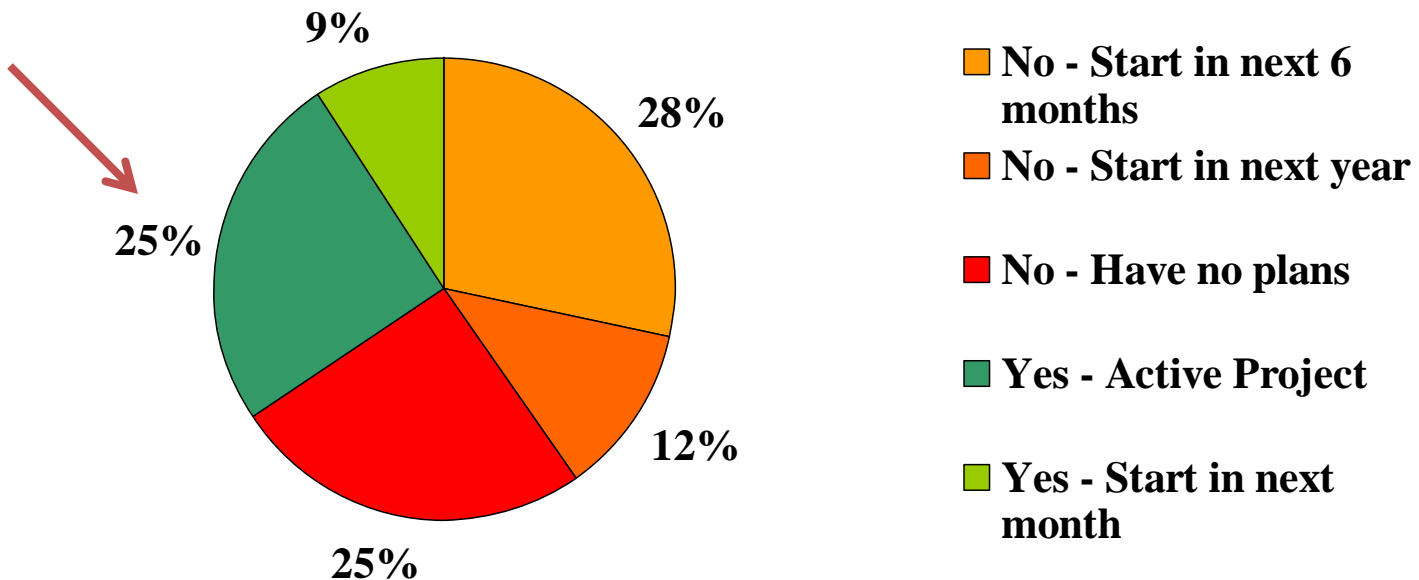
Nov. 09
Avg. 3.5

May 10
Avg. 4.5

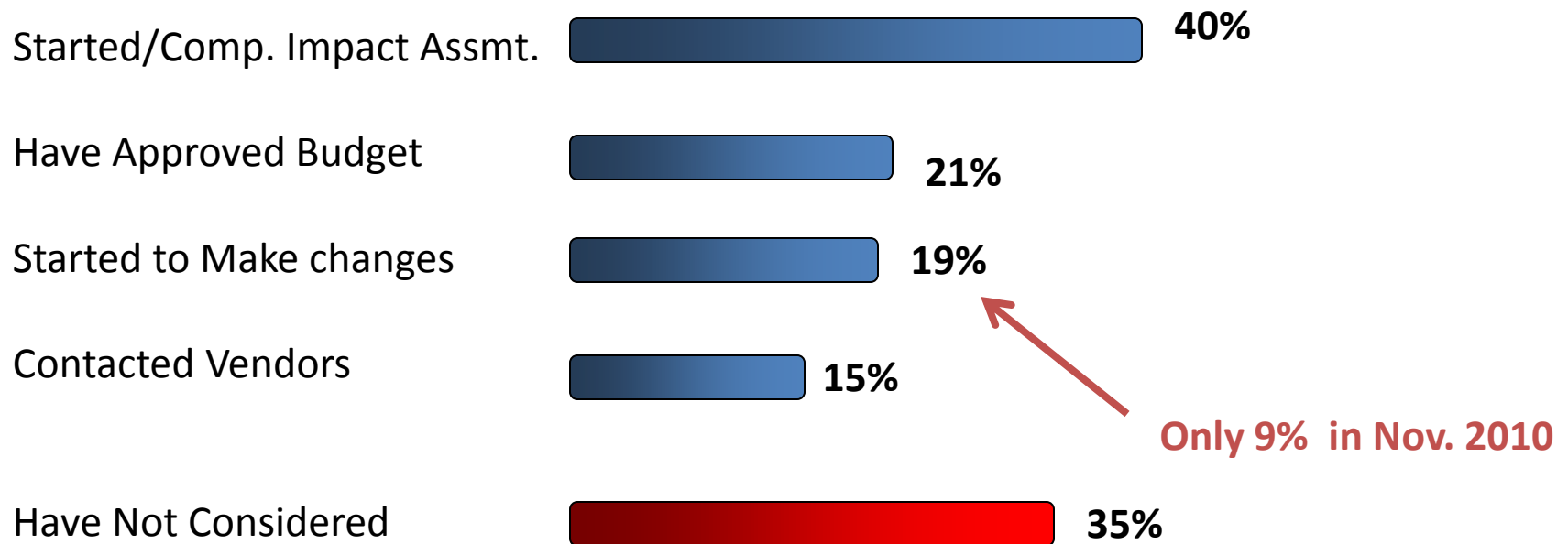


Have a specific 5010 project with staffing and resources identified

34% in the “Green Zone”
Compared with 6% in
Nov. 2010

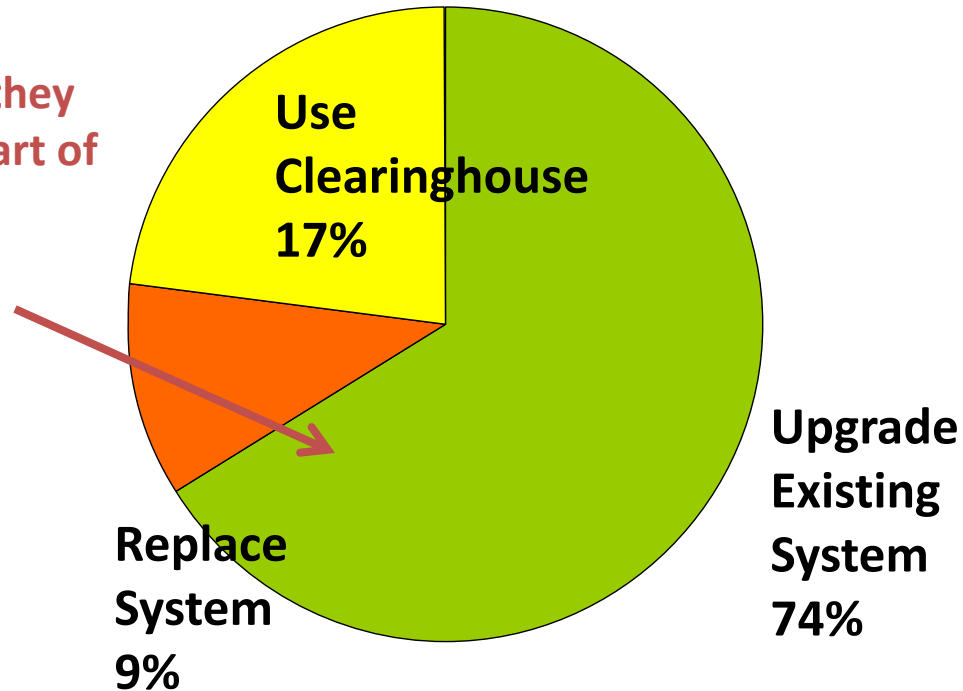


“My Organization’s Preparation to Date”

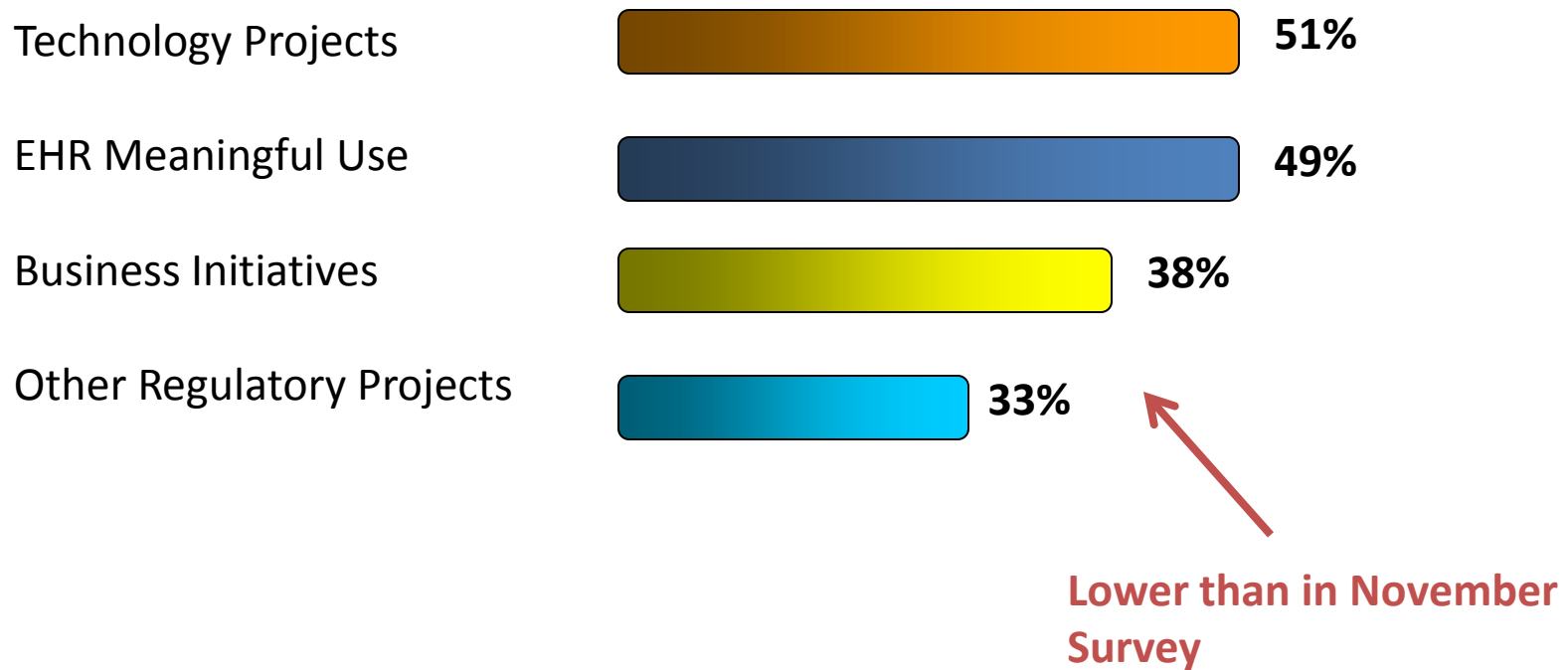


Approach to 5010

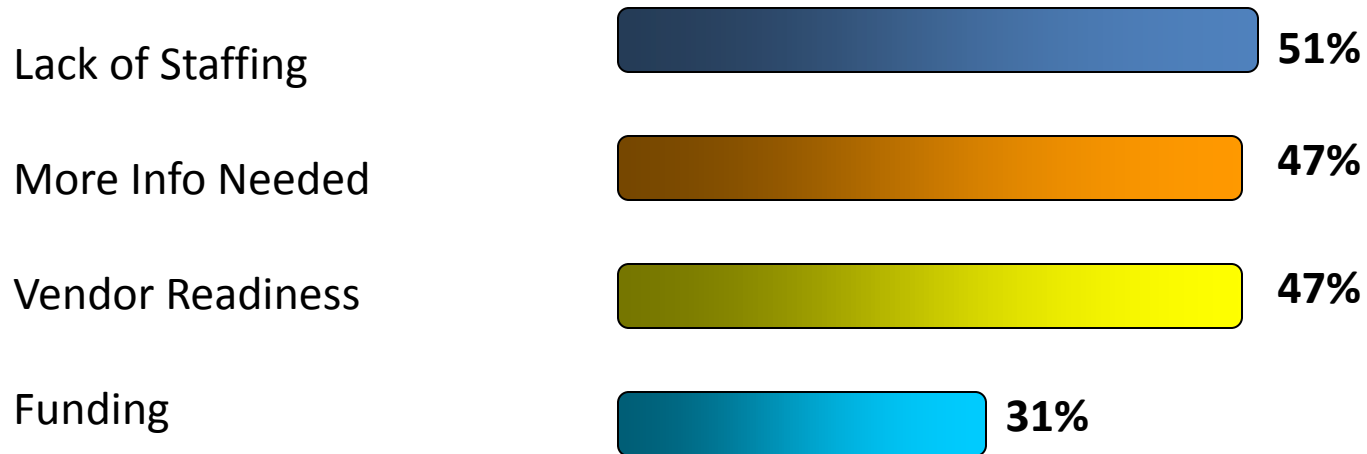
Only 6% indicated they would replace as part of a broader EHR Implementation



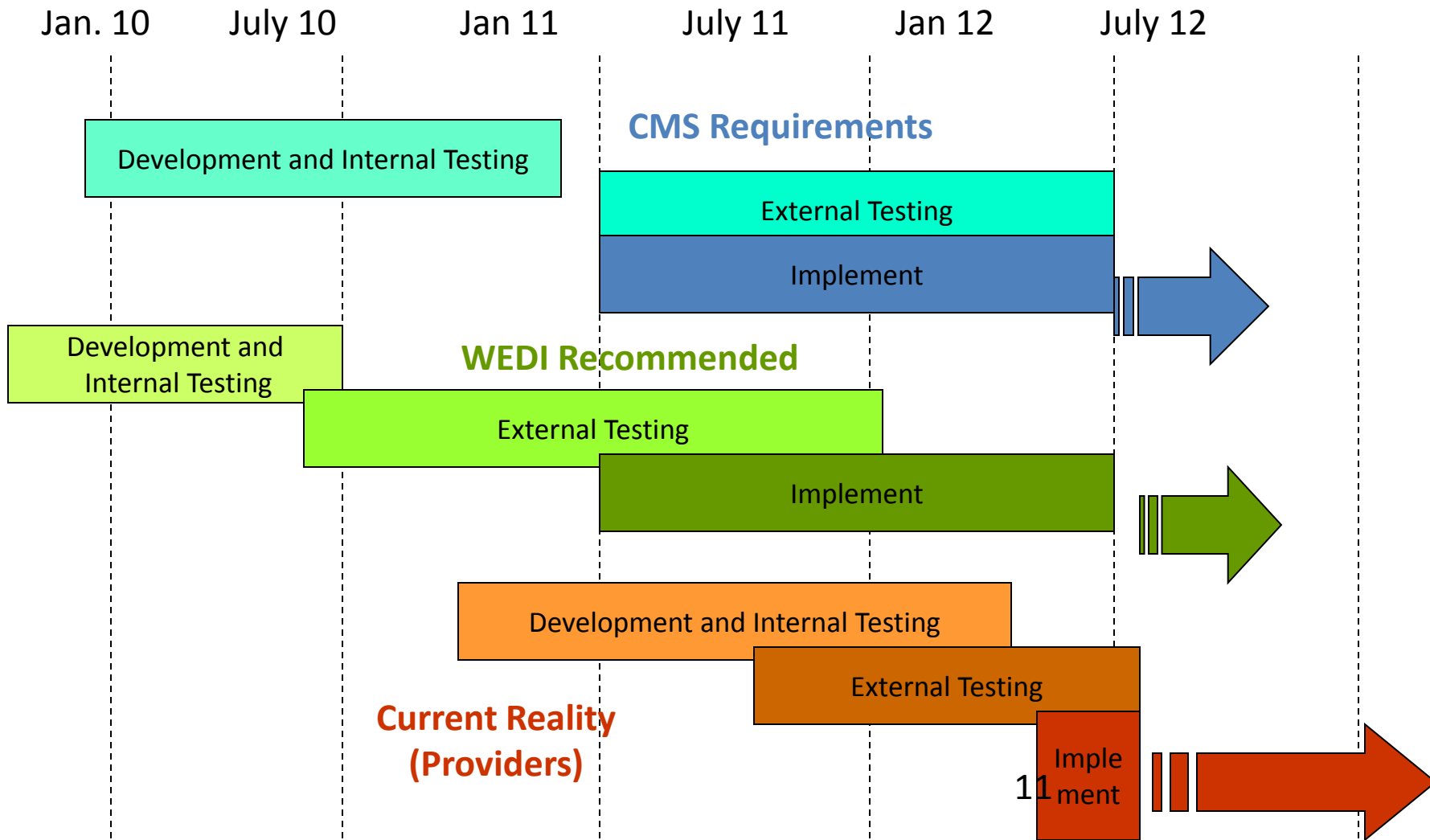
Competing Initiatives for 5010



Obstacles for 5010 Efforts



5010 Planning vs Reality



HIT Perfect Storm: 2010 to 2015

 Official Timeline
 Stabilization Estimate



Health Reform
Operating Rules

Eligibility/Claims

ERA/EFT

Enrollment et al

Stage 1

Stage 2

Stage 3

HITECH

5010 Domino Scenario

- Providers get “wake-up” call in mid-2011
- Demand for services from software vendors, payers, clearinghouses exceed supply
- Many providers do minimal testing
- Majority of providers convert in 12/15-1/15
- Implementation problems extend “Stabilization” period in 2012 by 3-6 months
- Resources distracted from ICD-10 creating schedule challenges for that initiative

Strategic and Tactical Approaches

- Look for strategic opportunities to meet ICD-10 and HITECH
- Synergize software selection, vendor support and budgeting
- Maintain tactical independence across 5010, ICD-10, and ARRA
- Dedicate separate resources for each initiative
- Minimizes opportunities for delays in one project to impact the others

Avoiding a 5010 Train Wreck

- Best Practice to Reasonable Practice
- Focus on Priority Transactions and High Volume Trading Partners
- Test Aggressively
- Implement Early Where Possible

5010 Testing

- Risk-based Approach
- Highest Dollar / Highest Volume / Highest Cost to Process
- Most Clearinghouses and Payers will meet 1/1/2011 Testing Start Date
- Significant variation what testing they will support:
 - One transaction at a time
 - End-to-End (Eligibility, Claim, ERA)
 - Other

5010 Implementation

- Plan to Implement in Q3 or Q4 2011

	Provider	Clearinghouse	Payer
Today	4010	4010	4010
Payer Initiated	4010	4010/5010	5010
Provider Initiated	5010	4010/5010	4010
1/1/2012	5010	4010/5010	5010

FOUR STRATEGIES FOR ADDRESSING THE “PERFECT STORM”

Strategic Synergy

Focus and Defer

Manage Out

Outsource

Strategic Synergy

Approach:

- View the changes as strategic investments, look for opportunities to create synergies among the efforts

Appropriate for Organizations:

- Aging or inadequate infrastructure
- Ability to make strategic investment
- Strong in-house or outsourced project management

Risks:

- Ability to meet short timeframes
- Ability to maintain multi-year investment

Focus and Defer

Approach:

- Prioritize initiatives and defer, where possible, less critical initiatives.

Appropriate for Organizations:

- Having significant challenges
- Limited resources

Risks:

- Lack of long term strategy may require revisiting tactical investments
- On-going deferral of strategic solutions will create backlog

Manage Through

Approach:

- Work through the changes as a typical project effort with modest investment of resources

Appropriate for Organizations:

- Where infra-structure is in place and changes are less dramatic and more incremental
- Strong project management

Risks:

- May underestimate changes required
 - More difficult to up-size after setting initial stakeholder expectations of modest level of effort
- Example: Provider with current released EHR and PMS

Outsource

Approach:

- Outsource all major initiatives to a strategic partner.

Appropriate for Organizations:

- Minimal current capabilities
- Able to find a trusted strategic partner

Risks:

- Ability to manage vendor who will have many competing clients all with similar deadlines

ICD-10 Findings

My Organization Adequately Understands the:

ICD-10
Timeline

May 10
Avg. 5.3

*Strongly
Disagree*



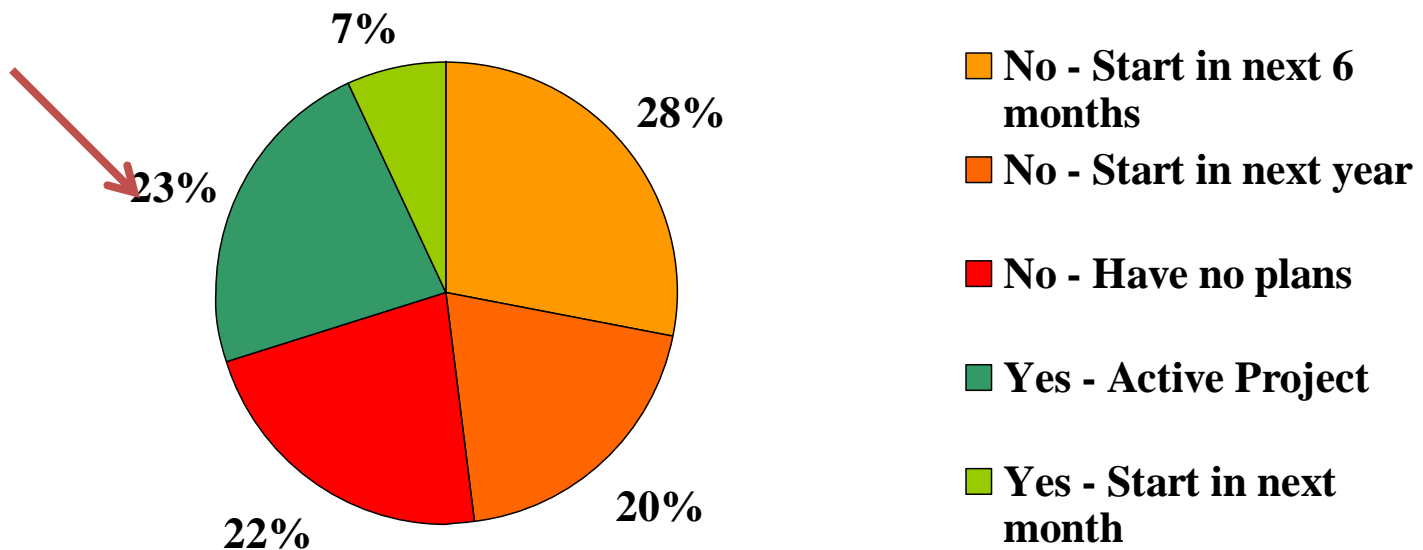
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ICD-10
Changes

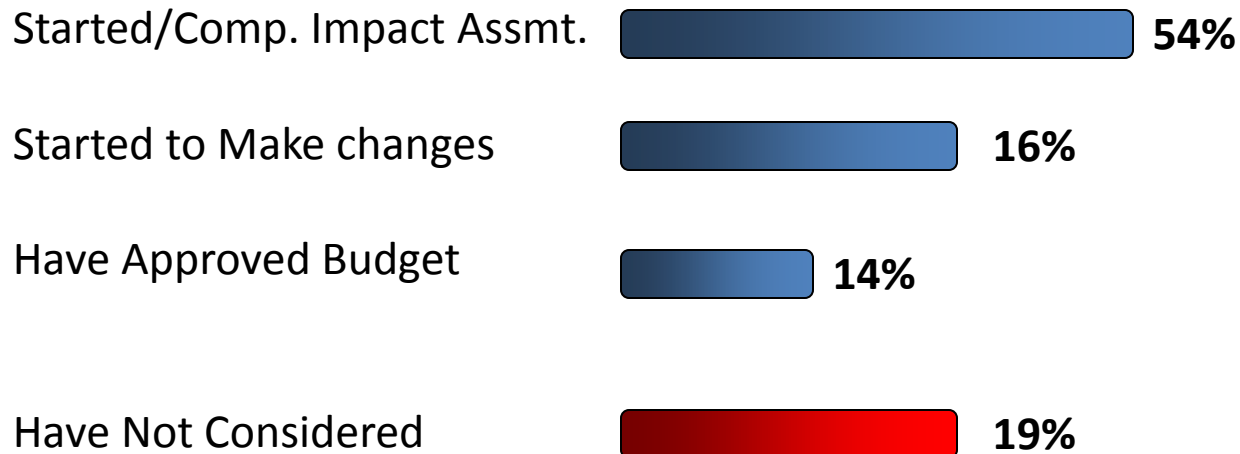
May 10
Avg. 4.6

Have a specific ICD-10 project with staffing and resources identified

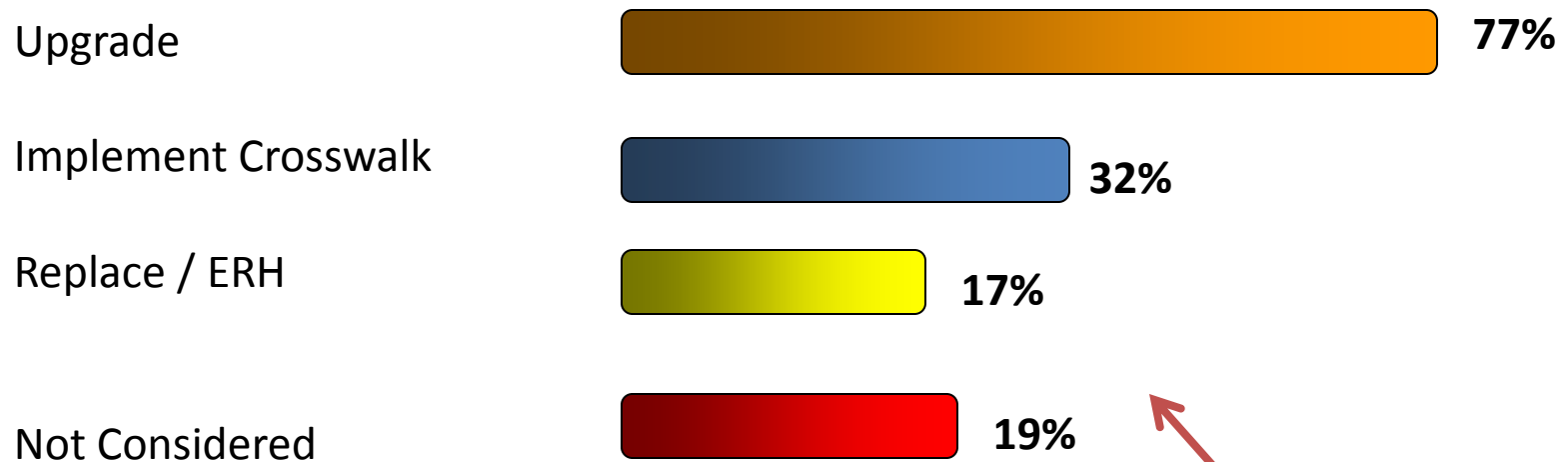
30% in the "Green Zone"



“My Organization’s ICD-10 Preparation to Date”

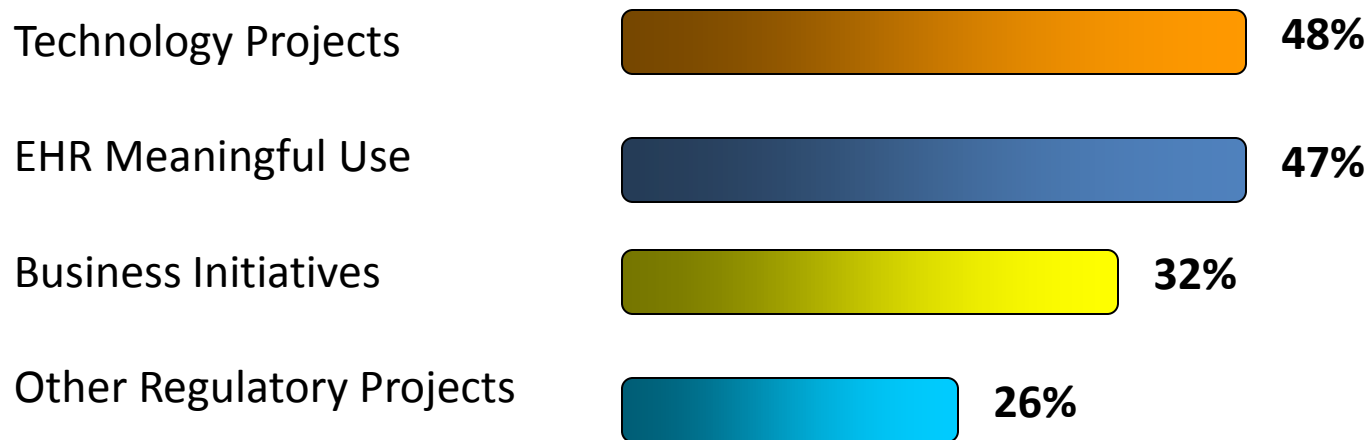


ICD-10 Approach

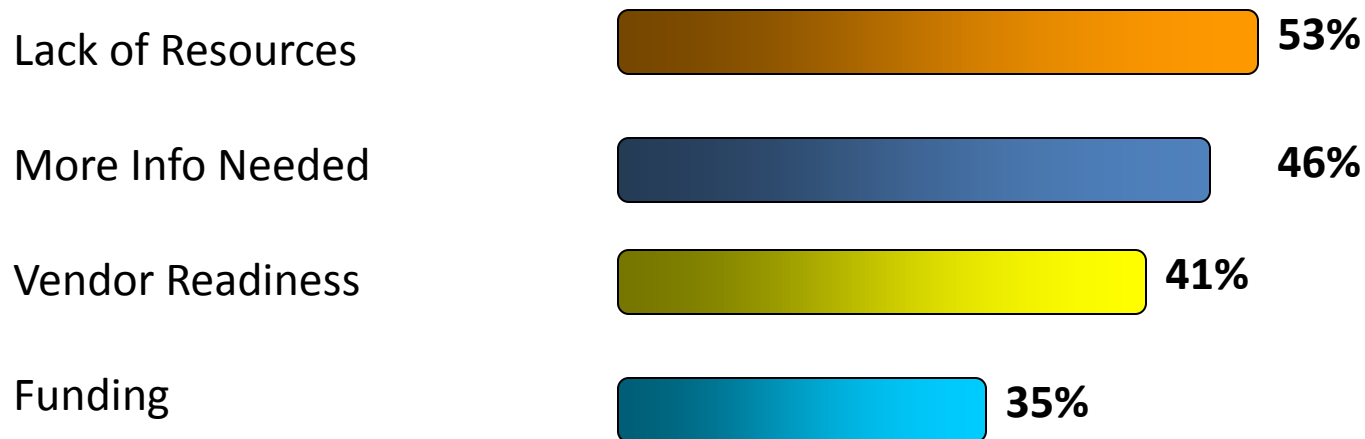


Lower than in November Survey

Competing Initiatives for ICD-10



Obstacles for ICD-10 Efforts



Resources

- HIMSS Website
- Other Organization Websites
- HIMSS Annual Conference – 5010/ICD-10 Symposium

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