



# Navigating ICD-10: How to get from point A to point B

Preparing for ICD-10 and 5010 in tandem gives one health plan a roadmap to meet state requirements and enhance operations.

By Sharon Perkins and Greg Larson

President John F. Kennedy once said, “There are risks and costs to any program of action, but they are far less than the long-range risks and costs of comfortable inaction.” By all accounts, El Paso First Health Plans seems to have heeded this advice as they considered their options for ICD-10 compliance.

Of course, El Paso is not alone. The health insurance world is facing a 1-2-3 punch with ANSI x12 5010 transaction requirements, ICD-10 data-set mandates and omnibus healthcare reforms – all to be met over the next five years. Payers have to comply with 5010 transaction requirements by January 2012. By October 2013, payers must use ICD-10 code sets, and reforms from the Affordable Care Act roll from 2010 through 2014.

The 5010 and ICD-10 compliance process requires nothing short of enterprise-wide evolution, giving health plans the tools they need to exploit new opportunities in administrative efficiency and cost and quality of care. If health plans reframe their business-as-usual viewpoint and capitalize on the insights they can glean from the more granular data afforded by the new ICD-10 code sets, they will increase efficiency, improve provider relations and improve the health and wellness of their membership. Properly preparing for

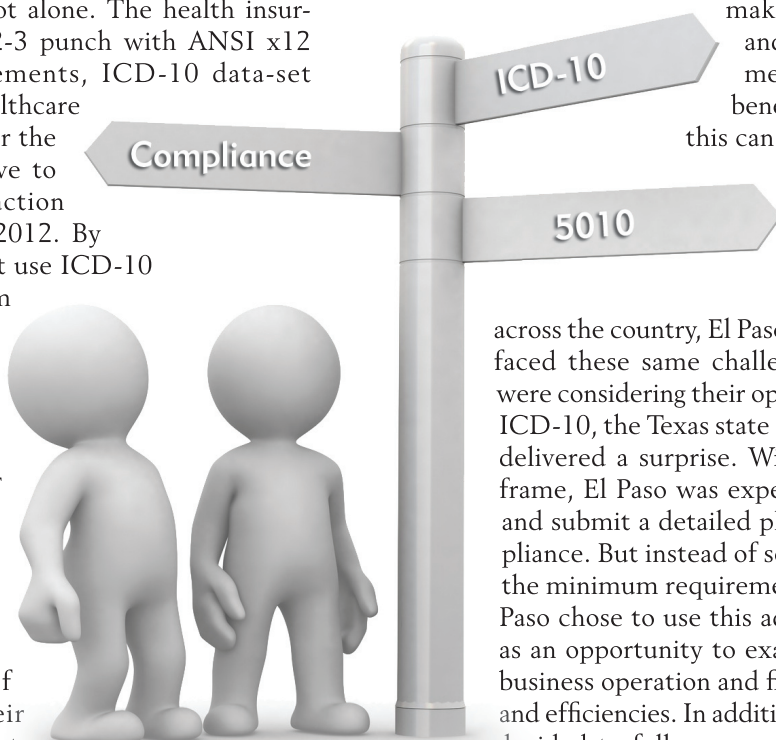
ICD-10 and 5010 can help payers lower costs where necessary, improve efficiency across the board and provide insight into patient well-being that was not possible using old transaction and code data. For example, the level of data granularity that will be available by using ICD-10 will give health plans the ability to understand their members’ utilization at a much more micro level,

making targeted care and disease management programs more beneficial. But none of this can happen without a strong roadmap for how to get from point A to point B.

Like payers across the country, El Paso First Health Plan faced these same challenges. While they were considering their options for 5010 and ICD-10, the Texas state Medicaid program delivered a surprise. Within a short time frame, El Paso was expected to complete and submit a detailed plan for 5010 compliance. But instead of scrambling to meet the minimum requirement of the state, El Paso chose to use this additional mandate as an opportunity to examine their entire business operation and find improvements and efficiencies. In addition, the health plan decided to follow a parallel path with an ICD-10 roadmap, knowing the two issues

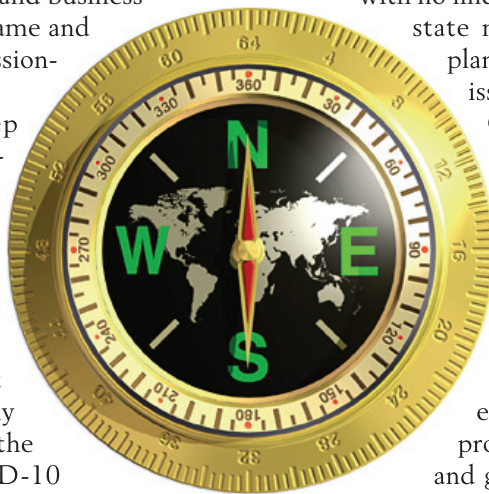
are inherently intertwined.

First, El Paso chose an outside partner, The TriZetto Group, to assist in the process based on their long experience with the company’s core administration



systems, which El Paso uses. El Paso and TriZetto were able to work together to assess the situation, create a plan to evaluate El Paso's systems and business processes within the short time frame and then deploy a large group of professionals to get the job done.

Once that first planning step was completed, the joint El Paso-TriZetto work team dug in to evaluate all aspects of El Paso's business – from core administration to provider contracting to customer support – to determine where 5010 and ICD-10 requirements might have an impact. Not surprisingly, the answer was “nearly everywhere.” While El Paso knew the mechanics of how 5010 and ICD-10 would impact obvious areas, such as claims technology, TriZetto was able to help identify areas that were less obvious: moving staffing from one area to another for a temporary time frame, for example, or engaging in provider contracting sooner rather than later.



than before. The plan El Paso submitted to the state of Texas was accepted as delivered in the first round, with no findings or recommended changes. The state made positive comments that the plan was solid and had no remediation issues or gaps. In addition, El Paso's CEO approved the compliance plan as the official “marching orders” for the entire organization with no changes.

The joint effort between TriZetto and El Paso First Health Plans – to evaluate the entire business from top to bottom, looking at ways ICD-10 and 5010 could impact even the least likely business unit – proved to be a valuable path for change and growth. It enabled El Paso to move forward with a clear course to follow for change and allowed the company to maximize the coming regulatory changes for the business. **HMT**

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Third, El Paso used their state-mandated 5010 compliance plan, as well as the ICD-10 plan they created, in tandem. This approach provided a strategic roadmap for the entire organization.

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El Paso learned that if a health plan prepares for the changes soon enough, evaluating all business operations at one time, the value derived from the new code sets could be monumental. Better care management, more efficient disease management and

more cost-effective administrative techniques were just the tip of the iceberg.

By embracing the challenges of 5010 and ICD-10 compliance, El Paso was able to create a new way of doing business that is more efficient and data driven



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