



Enterprise-Wide Solutions

By Paul Hayes

As the world of healthcare gravitates to enterprise-wide connectivity, changes that might have originally impacted just a part of an organization may now have consequences across the entire entity. Activities that used to be clearly in the domain of the billing office are now being shifted to the front end and handled by clinical processes. For example, charge tickets will one day be extinct as clinical systems pass relevant data to the back end billing system. In this issue of our newsletter we discuss the impending ICD-10 code changes from the perspective of an enterprise-wide impact. At Hayes Management Consulting we have been actively expanding the skills of our consultants and developing teams with enterprise-level skills to help our clients address the future needs of their organizations.

Is Your Organization Considering the Implications of Implementing ICD-10 Code Sets?

By Anita Johnson, CPC

Hayes is hosting the June 2006 WRUG Meeting in Seattle, WA. The meeting will be held June 8—9 at the Sheraton Bellevue. Cynthia Centerbar will be offering her TES training on Wednesday June 7th.

As organizations focus on the implementation of electronic health record storage and retrieval platforms, it is easy to lose sight of the impending regulatory amendment to migrate from the well ingrained ICD-9 diagnosis coding system to ICD-10. Your diagnosis coding schema as you know it today will be severely impacted by this amendment for hospitals, providers, healthcare maintenance organizations and payers. And, as more organizations have moved toward an enterprise-wide systems solution, the changes will impact many areas and systems within the entity.

Although the adoption of ICD-10 is still some time away*, given the potential financial and clinical impact of ICD-10 and the system and information system changes required, healthcare organizations should take steps now to understand how to successfully prepare for its implementation.

ICD-10, with a radically upgraded diagnostic and procedural medical coding system, will soon be mandated by the U.S. government for use in statistical data gathering, insurance processing, and reimbursement. There are major implications to the fabric of our business processes for the entire healthcare organization and your payers. You need to keep abreast and have an organizational action plan to successfully implement ICD-10.

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UPDATES FROM OUR OFFICES

Ben Michelson joined Hayes Management Consulting as Senior Sales Executive for the Western Region. He has more than 30 years of experience in professional sales and sales management in the information technology and healthcare industries.

Ben has held additional key positions with several leading companies in the healthcare and IT industries focusing on strategic corporate planning and new business development.

Scott Rummel joined Hayes Management Consulting as a Senior Sales Executive for the Eastern Region. Scott has over 20 years of experience in professional sales and sales management in the healthcare information technology industry. He spent 11 years selling the Flowcast® and Carecast® Solutions at IDX®. Most recently he was selling a telemedicine/computer technology solution for VISICU that transforms patient care in hospital intensive care units.

Kate Paller joined our Physician Practice Services group as a healthcare consultant. Kate has several years of practice management experience in a variety of clinical settings, with special expertise in the areas of front-desk management, and business process change.

Paul Henderson, MS joined the Product Development team in March as a Development Engineer. Paul has several years of experience in the development and support of client server applications with expertise using Microsoft Visual Basic and SQL Server.

Presentation at the APA Conference

Jeff Wasserman, Director, Physician Practice Services, and Geoff Tolzmann, Senior Health Care Consultant, presented at the APA conference in Chicago May 8th. Their presentation, “Maximizing Revenue in a Sea of Change” gave attendees strategies for maintaining an effective revenue cycle through a comprehensive approach to revenue management that encompasses operations, staffing, information system integrity and performance measures. For more information please visit our web site at: www.hayesmanagement.com.

Published!

Pete Rivera, Senior Health Care Consultant, was recently published in the March 2006 issue of *Healthcare Informatics*. Pete’s article, “Making it Work—Are vendors from Mars, clients from Venus” explores the vendor-client relationship, with excellent advice on how to evaluate where you are and where you should be. You can read Pete’s article by visiting www.hayesmanagement.com and clicking the link under Hayes News.

A Team Approach from Hayes

On many engagements the Business Services team members work closely with professionals from our Physician Practice Services or Clinical Services Teams by providing project management, software expertise and analytical skills.

For example, in one recent engagement Hayes created an IT Strategic Vision for a mid-sized hospital. To provide valuable recommendations it was imperative to understand the goals of the executive leadership, needs of the clinicians providing care and issues of the administrative departments.

Our consulting team was custom assembled to include:

- Engagement Manager to communicate with and understand the needs of the executive leadership
- Project Manager to ensure deliverables were met within IT, clinical and administrative areas of the project
- Senior Consultant to provide IT infrastructure analysis
- Registered Nurse and a Physician to understand clinician needs and provide a voice for the clinician community as well as ensuring clinician support for the resulting IT Strategic Vision

Our well rounded team provided an enterprise-wide strategy while representing the interests of all the project sponsors. Hayes recognizes the success of every project requires active participation from all the key stakeholders and with our diverse teams we can meet the enterprise-wide needs of our clients.

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Quick Comparison of ICD-9 to ICD-10:

	ICD-9	ICD-10/PCS-10
# of Codes	13,000	120,000
# of Codes Inpatient	4000	200,000
# of alphanumeric characters	3-5	3-7

Key Players who need to Know

Colleagues throughout the organization need to be actively involved with the ICD-10 transition team.

- Executive Leadership
- Providers and Clinicians
- IT Personnel
- Utilization & Quality Management Personnel
- HIPAA Personnel
- Data Security Personnel
- Researchers
- Billing Personnel
- Finance Personnel
- Auditing & Compliance Personnel

Not only should the implementation team have a general knowledge of ICD-10-CM and ICD-10-PCS, but others within the organization also need to consider the financial and personnel impact the implementation will have on their departments. Determine and develop key action plans for IT, Finance, Clinical Services, HIM, and Decision Support. Perform a gap analysis of current coding practices and documentation.

The coding changes driven by the move to ICD-10 will impact most aspects of hospital operations and patient care, so the shift is not to be taken lightly. With careful planning, medical practices and hospitals can come through this transition in a very good position to manage the reimbursement and regulatory challenges of the next decade.

Other steps

- Establish task forces including members from the departments listed above
- Evaluate all interfaces between systems
- Evaluate workflow changes
- Evaluate all contracts for impacted software
- Develop a budget
- Review all training and policy and procedure manuals
- Communicate actively within the organization

* The National Committee on Vital and Health Statistics (NCVHS) has made its recommendation to Secretary of Health and Human Services (HHS)

ICD-10-CM and ICD-10-PCS replace ICD-9-CM

Next steps

Support of HHS

Publication of proposed rule

Public comment period on proposed rule

Publication of final rule

Most likely implementation date of ICD-10

October 1, 2008

Projected two year phase-in once adopted



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HAYES CONFERENCE CALENDAR

WRUG	June 8—June 9	Seattle, WA
Epic	September 18—21	Madison, WI
MGMA	October 22—25	Las Vegas, NV