Joining Forces on ICD-10-CM/PCS: Collaboratives Form to Help Handle Coding Transition

By Mark Jahn

As providers and payers grapple with the complexities of ICD-10-CM/PCS (ICD-10), many are formally collaborating with one another to learn best practices and accelerate ICD-10 implementation.

Across the country, many different types and sizes of ICD-10 collaboratives have formed with the hope of sharing insight and resources on the code set's implementation. Some of these collaboratives operate at a state-wide level, others across state lines, and a few are based on existing payer/provider relationships. Each collaborative has a unique structure and culture reflective of the elements that contributed to its formation.

Types of ICD-10 Collaboratives

State-specific ICD-10 collaboratives now exist in Massachusetts, North Carolina, Wisconsin, Minnesota, and Idaho, while Washington and California are also in the early stages of forming their own collaboratives. Not surprisingly, California-as the nation's most populous state-has the potential to become the largest statewide ICD-10 collaborative in the country.

Similar to statewide collaboratives, major providers have also come together to form information-sharing ICD-10 collaboratives. For example, Phoenix, AZ-based Banner Health, with operations in seven states, has organized a cross-state collaborative called "ICD-10–Getting Together–Share Stories." Once a month the collaborative brings together other providers, such as Intermountain Healthcare, to share their related experiences and best practices through a web-based conference call.

Providers and payers are also working together in unique one-on-one collaboratives, such as the Cleveland Clinic and Medical Mutual of Ohio. This particular collaborative effort has already led to potential savings of $7 million in ICD-10 related costs for Cleveland Clinic, and streamlined business processes for both parties. Similarly, St. Joseph Health in Orange, CA, and payer WellPoint have begun to collaborate on ICD-10 testing, reporting an estimated 19 percent shift in diagnosis-related group (DRG) assignments as one of their key findings.

HIMSS and WEDI have formed an ICD-10 National Pilot Program (NPP) collaborative focused on ICD-10 collaborative testing. The effort is gaining momentum across providers, health plans, and clearinghouses. The NPP has the potential to spread the overall effort and learnings of ICD-10 testing across many healthcare organizations and significantly reduce the testing burden now faced by individual providers and payers.

Currently, more than 90 organizations are involved in the NPP. The NPP is also beginning to work closely with the Centers for Medicare and Medicaid Services (CMS) to engage CMS officials in this increasingly expanding collaborative testing effort.

Reasons for an ICD-10 Collaborative

ICD-10 implementation is highly suited for collaboration since it is a common initiative that allows multiple care settings, such as providers and payers, the opportunity to work together with minimal competitive barriers. Collaboration also makes sense, considering payers and providers must share ICD-10 code assignments during claims submissions and may have similar implementation processes. For example, imagine if the 50 kilometer "Chunnel" between England and France had been built without collaboration. The British and French might still be trying to figure out where to meet. ICD-10 has similar collaborative-friendly characteristics-it's a project of exceptionally dense complexity, involving many moving and new parts led by time- and budget-constrained participants.

In an environment where providers have limited resources (time, people, and budget), collaboration provides an ideal opportunity to conserve resources. Most collaboratives have two fundamental goals:

- Reduce the overall cost and time of ICD-10 implementation
- Reduce the overall risk of implementation

Collaborative members typically share a common belief that it is better to work together on ICD-10 than to struggle working separately. Members of these collaboratives also believe that the benefits of participation greatly exceed the time, effort, and cost of participating in the collaborative. “Each of our members faces enormous preparation, testing, and implementation challenges that are unique to their organizations,” says Denny Brennan, executive director of the Massachusetts Health Data Consortium. “Through the consortium, they will minimize the time and cost spent on the challenges they share. Collaboration creates economies of scale, minimizes needless rework and redundancy in preparation and testing, and reduces the substantial financial, technical, and operating risks associated with failing to meet the deadline for compliance.”

ICD-10 collaboration starts with opening up new or enhancing existing lines of communication between payers, providers, and vendors. Being able to look across the table and communicate directly with others “in the same boat” quickly provides new levels of interaction to address a common need, eventually leading to new and faster results.

After the initial launch and inception of a collaborative, its members typically begin sharing best practice information and work on common activities (i.e., vendor engagement, small provider outreach, etc.). They can then turn their attention to more strategic topics, such as collaboratively dealing with the national coder shortage, spreading the testing effort among participants, educating physicians, and designing ICD-9 to ICD-10 crosswalk maps.

States that have demonstrated a strong history for collaborating on other projects-Minnesota, Massachusetts, and North Carolina-have shown the earliest and best collaborative results so far. These state organizations already had the existing culture and experience of working collaboratively together, and had existing structures they could leverage.

By contrast, collaboratives whose members are historically unaccustomed to working with one another, such as in Washington and California, will likely take longer to coalesce. Collaborative members in these states may require a more extended runway and external “selling effort” to learn and adapt to the new collaborative model.

Organizing an ICD-10 Collaborative

While state-specific ICD-10 collaboratives are all organized differently, they still have some common characteristics. They typically have a chair and co-chair and a host organization, such as the North Carolina Healthcare Information and Communications Alliance (NCHICA), to provide administrative support and accounting. They also typically have multiple work groups assigned to tackle specific topics (i.e., outreach, testing, etc.) and monthly two- to three-hour member meetings to discuss relevant topics and report group work results.

“The NCHICA takes great pride in providing a neutral environment for over 19 years that enables collaboration among members of the healthcare sector,” says W. Holt Anderson, executive director of NCHICA. “The NCHICA ICD-10 Task Force is a shining example of how leading organizations and their staffs can benefit from building consensus on how best to comply with new standards and regulations.”

Based on input from the state collaborative, the 10 best practices for forming an ICD-10 collaborative are:

1. Create an executive steering committee to provide collaborative governance and gain C-suite support from collaborative members
2. Define a clear mission, goals, and outcomes
3. Start with a core group, then expand
4. Use an iterative start-up approach-start with small steps and expand as needed
5. Have CMS join the collaborative meetings
6. Bring in outside experts to supplement collaborative discussions
7. Include professional organizations and associations
8. Obtain administrative and facilitation support from an established organization
9. Include all three constituents: providers, payers, and vendors

10. Include Medicaid representatives

States that seek to start an ICD-10 collaborative will need to leverage an iterative start-up approach to gain benefits sooner than would occur if following a more traditional sequential start-up path, which typically requires four to six months. Delaying the timeframe for ICD-10 collaboration will likely only increase the overall costs and risks of ICD-10 implementation.

Some of the barriers that collaboratives often face during start-up include lack of funding; difficulty in getting organizations that have competed with each other to work together; and getting vendors to participate in the process. Additionally, in a few states, some potential participants have initially demanded to have an upfront understanding of the return on investment of their participation, delaying their involvement.

Such thinking may prove short-sighted. Instead, potential participants would be better served taking an open-minded, forward-thinking approach toward realizing the value of participating.

Collaboratives Offer Help on ICD-10

Organizations have two options when it comes to working on ICD-10. They can continue to work individually, and possibly struggle through one of the largest health enterprise-wide initiatives to occur in more than 30 years-since the last major ICD implementation.

Or they can form or participate in a collaborative and gain the potential rewards and benefits that come from working together toward a common goal.

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