

CASE STUDY

Delivering a Financially Secure ICD-10 Transition
*Leveraging Infosys iTransform™ to assess financial neutrality
for a large US healthcare provider*



The Client

one of the largest healthcare delivery systems in the United States with hospitals and outpatient centers in multiple states

The Background

By October 1, 2014, healthcare organizations covered by the Health Insurance Portability and Accountability Act (HIPAA) are required to use the International Classification of Diseases - 10 (ICD-10) for all business transactions that contain any diagnosis or procedure information.

For healthcare organizations, transition to ICD-10 has been envisaged as an opportunity to reinvent and optimize revenue management in the long term. However, given the current alignment of revenues with ICD-9 codes and the magnitude of the required changeover, the short-term impact raises justifiable concerns about the adverse impact on revenue cycles. This makes it imperative to ensure that assessing and achieving financial neutrality is priority in the ICD-10 transition program, such that existing payment structures and contracts are proposed on a revenue-neutral basis.

Business Need

To secure a financially neutral transition, the client needed a comprehensive data analytics solution for monitoring and assessing the financial risk posed by the ICD-10 transition on their managed care and revenue operations.

Infosys presented the client many strategic advantages:

- Demonstrated expertise in ICD-10 financial neutrality engagements
- An industry-leading ICD-10 transition product – Infosys iTransform™
- The ability to implement a solution that could analyze various reimbursement scenarios and gauge the economic impact on different areas of business operations

Infosys Solution

Creating an accurate and insightful solution

The client partnered with Infosys to implement a robust analytics solution. Infosys designed the solution with key

functionalities that would enable the client to evaluate the ICD-10 financial impact across:

- Various clinical services
- Physician and specialties groups
- Payer partners
- Claim types
- Diagnostic-Related Groupings (DRGs)

Infosys iTransform™ Reimbursement Simulator — a natural choice

iTransform met the analytics requirements of the client, scoring high on both capability and readiness parameters:

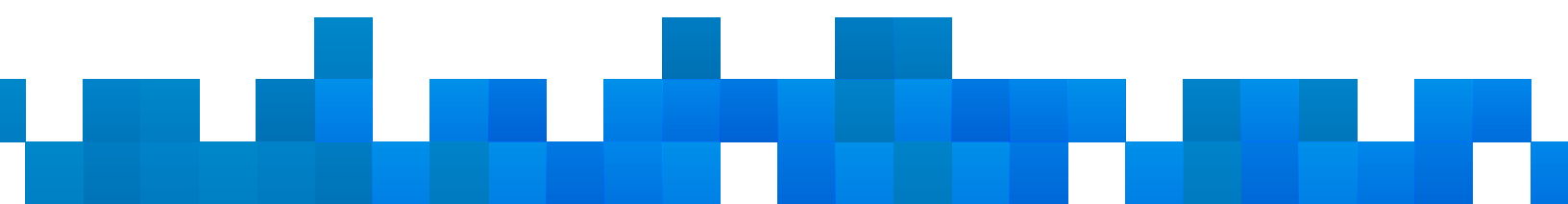
- **iTransform Reimbursement Simulator** – a design-time workbench that integrates business intelligence (BI) and advanced data modeling capability to simulate and compare claim payments between ICD-9 and ICD-10 codes in a scientific manner
- **A powerful diagnostic tool** – helps in a complete 360 degree assessment of the ICD-10 impact across financial parameters, along with actionable reporting by various key dimensions –

such as DRG, ICD codes, clinical service lines, lines of business and payer types – in a single, integrated secure web-based platform

- **Execution excellence in multiple engagements** – The product is mature and market-ready, and has been deployed successfully at leading healthcare organizations in the United States

Comprehensive analytics and simulation – the keys to engagement success

The Infosys team worked closely with the client organization to conduct multiple proofs of concept (POCs) and demonstrations, which helped the client undertake accurate data modeling and evaluation of varied functional scenarios. The out-of-the-box reports also helped identify the underlying factors influencing the change in the reimbursement amount.



Business Value Delivered

With the Infosys solution, the client is well positioned to understand the revenue impact of their ICD-10 transition. Key outcomes realized by partnering with Infosys include:

- **A scientific input for renegotiating payer contracts** with respect to identified service lines and clinical conditions
- **Increased productivity and reduced project cycle time** through 100% automation of large volume of historical claims analysis
- **Zero 'additional' setup cost** with easy installation, training and upload of volumes of historical data – enabled by flexibility in input formats, i.e. template-based, database connection, and direct import of electronic data interchange (EDI) files
- **Exposing the financial and clinical vulnerabilities** associated with the claims data at multiple hierarchical levels, i.e. payer, service categories, major diagnostic categories (MDC), DRG, ICD codes, claims types



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