

## **Optimizing Computer-Assisted Coding (CAC) For a Successful ICD-10 Transition**



**From 2012-2014, Freed provided project management consulting services for the implementation of a CAC product as a proactive measure to transition to ICD-10. The challenging two-year project successfully streamlined and standardized Health Information Management (HIM) coding across the client's network.**

### **The Situation: Meeting the Coding Deadline**

A major hospital network wanted to change and streamline their workflow in preparation for the ICD-10 transition. To do this, they elected to implement a Computer-Assisted Coding (CAC) application across 21 of their hospitals in advance of the October 1st, 2015, transition deadline. Freed was brought on to help them with the implementation. Over a two-year period, Freed managed the business and technical development. The ultimate

goal was to streamline the diagnosis and procedure coding workflows to optimize and standardize acute Health Information Management (HIM) coding across all five hospital regions with a cost-saving solution intended to offset the coding productivity impact of the transition to ICD-10. It was a big job that required an on-going partnership between the vendor and the client's Information Services and HIM stakeholders.

### **Solution: From Pilot Testing to Implementation**

Freed's primary focus at the outset was vendor management and oversight. The Project Manager facilitated client and vendor negotiations, which ultimately yielded a one-percent reduction in the annual cost increases. We defended the client's interests by ensuring that terms in the master service agreement matched their expectations regarding workflow and timelines to rollout.

Our strategic planning encompassed a targeted pilot testing strategy that would circumscribe the limitations of the project to avoid impacting client resources while developing test data relevant to fulfilling the obligations for the entire network. Because Computer-Assisted Coding was a new technology, we launched the go-live with three of the client's hospitals that were known to be early adopters of new technology.

The pilot project allowed Freed to work with the client and vendor to manage risk and determine how the software would impact the organization and workflow for coders.

### **Challenges Met and Overcome**

There were unique challenges with this project that were mostly vendor-based. It became clear during testing that there were some critical system issues in the vendor's product. The difficulties presented could have sunk the project, but we approached them as a challenge and an opportunity. We took on a Vendor and Application management role and worked rigorously with the vendor so they would continue to deliver on the product to ensure stability in the environment. This process required us to be both flexible and firm, and come up with creative solutions. All planned implementations were suspended in order to work with the vendor to address these critical system issues. Once the vendor had satisfied our conditions and achieved stabilization, we were able to continue with the implementation plans across the network.

Freed's ability to manage the challenging vendor-client relationship through intense scrutiny of the vendor's processes, follow-ups, and escalations helped resolve almost all of the critical issues. We navigated the project back on track and were able to stabilize the product for complete rollout in January 2014.

### **Results: The Freed Difference**

- Freed negotiated a one percent price reduction in the annual service fees, which resulted in approximately one million dollars in savings.

- The Computer-Assisted Coding (CAC) was successfully implemented across 21 hospitals.
- This project was the vendor's first test case. Due to our leadership and stakeholder management skills, they were successful in stabilizing the Computer-Assisted Coding (CAC) and EHR system integration.
- Freed played a critical role in ensuring that the implementation of CAC created significant improvements to the coders' workflow. Although end-user adoption was impacted by factors out of our control, coders are now guided by the application in validating codes, which is a significant improvement on accuracy and time management from the previous manual coding process.

The hospital group came to us with a big project that involved a lot of moving parts and interested parties. It provided the kind of challenge we enjoy, and we achieved the results we strive for: helping to make healthcare more effective and efficient for everyone involved.