The U.S. health care industry is currently undergoing monumental changes as a result of health care reform. One of the many health care reform initiatives is the national health care system's transition from ICD 9 to ICD 10 coding sets for diagnosis and inpatient procedure coding. The Center for Medicare and Medicaid Services (CMS) has initiated this significant change to improve patient care, diagnosis, billing and reimbursement, while also supporting the reduction of health care costs and providing better patient-care reporting. ICD 10 is scheduled to become effective Oct. 1, 2015; however, organizations should act now to assess and mitigate their risk, execute their transition plans and evaluate the financial impact on the organization.

McGladrey’s ICD 10 business intelligence tool
Organizations do not have the resources and cannot justify the effort to natively code in ICD 10 large volumes of historical claims that were coded ICD 9. Even native coding in ICD 10 of small samples is time consuming (albeit valuable for documentation assessment), and is not sufficient for financial modeling. To facilitate modeling of claims under ICD 10, McGladrey has developed an ICD 10 translator tool using the QlikView business intelligence engine and input from the CMS GEMS (General Equivalence Mappings) data. Using the GEMS crosswalk and predefined mapping input, our professionals are able to translate large volumes of ICD 9 codes to ICD 10 codes, typically a full year of claims. The team then reprocesses the claims through an integrated ICD 10 encoder interface to produce a financial impact assessment.

This approach enables detail discovery within your claims data to address key issues facing your ICD 10 transition team, such as:
- How do I assess the financial impact of the transition from ICD 9 to ICD 10?
- What will be the impact on our organization by hospital, DRG and service line?
- How can I prioritize the areas of greatest coding and financial risk so I can appropriately allocate my training, documentation improvement and testing resources?
- What tools are available to support the development of ICD 10 training plans?
- How can I model financial impact by payer to prepare for contact negotiations?

The ICD 10 translator tool is a business intelligence application so you have unlimited ability to analyze data to meet your specific business needs. For instance, one customer has used the tool to analyze unspecified codes by facility, department and physician to address overuse of unspecified codes through training and documentation improvement initiatives. Using QlikView’s award winning easy-to-use interface, you can easily design custom analytics and reports.

ICD 10 business intelligence approach
The ICD 10 translator tool provides a full mapping of all ICD 9 codes to ICD 10 code choices to support analysis and training. Built into the base translator tool are a number of useful analytics covering claims analysis. They help prioritize the highest use and greatest complexity codes and DRG analysis depicting the top 25 positively and negatively impacted DRGs. Some examples of the analytics created in the ICD 9 to 10 translation tool are highlighted below.

### Claims profile by GEMs type

- **23.77%** Equivalent maps
- **2.23%** One to many with choices
- **52%** Unmatched ICD 9 code
- **2.96%** No maps
- **31.65%** One to many
- **39.41%** Approximate

Total number of unique ICD 9 codes = 7,704

### Unspecified codes by physician specialty

<table>
<thead>
<tr>
<th>Physician specialty</th>
<th>Unspecified codes</th>
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<tbody>
<tr>
<td>EMR</td>
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<td>SUR</td>
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</table>

### Our services

Assessing financial impact and leveraging claims data to identify and prioritize risk areas with our translator tool is just one area McGladrey can support your ICD 10 transition. In addition, McGladrey offers comprehensive ICD 10 transition services designed to help organizations achieve a successful ICD 10 transition, from governance and project management to risk management, implementation planning to actual coding, documentation and education.

Services may include:
- Revenue cycle operational process improvements, including cash acceleration and business office redesign
- Coding compliance to Medicare’s billing standards and requirements
- Patient care level documentation improvement to support clinical decisions and financial reimbursement for services provided
- Financial and contractual management to support and protect an organization’s revenue stream during and after transition beyond Medicare and extended to the private payor environment
- Technology improvements and testing to support ICD 10 coding environment and report standards
- Service provider management to ensure their compliance to ICD 10

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