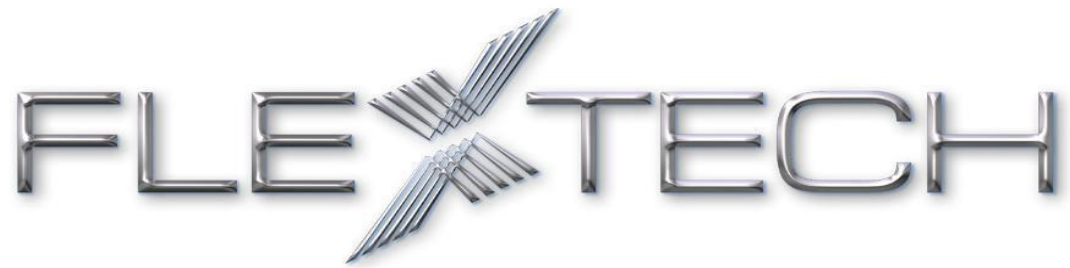


THE HEALTHCARE IMPLEMENTATION EXPERIENCE



The
Healthcare
Implementation
Experience

THE HEALTHCARE IMPLEMENTATION EXPERIENCE

The Healthcare Implementation Experience

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This book provides information in a logical manner that allows clients to approach an implementation with their eyes wide open.

Readers can develop an understanding of what they are likely to encounter with an implementation project - prior to embarking on the process, and also an understanding of the validity of the various steps along the way.

Table of Contents

| | |
|-----------------------------------|----|
| 1. Introduction | 1 |
| Maturity | 2 |
| Requirements | 2 |
| Standardization | 3 |
| Planning | 4 |
| 2. Keys To Success | 5 |
| Get Real | 5 |
| Whose Project is it Anyway? | 6 |
| Replicating Bad Process | 6 |
| Adequate Staffing | 8 |
| More Planning Time | 8 |
| Precision | 9 |
| Training | 9 |
| Project Identity | 10 |
| Team Building | 10 |
| Feed the Team | 11 |
| Make a decision | 12 |
| 3. What's In Your Toolbox? | 13 |
| The Right Tool | 14 |
| Standards and Templates | 15 |
| Training | 17 |
| Stocking the Toolbox | 17 |

THE HEALTHCARE IMPLEMENTATION EXPERIENCE

| | |
|--------------------------------------|----|
| 4. Chartering The Project | 19 |
| Vital Information | 21 |
| Measurement Tools | 21 |
| Organizational Values | 22 |
| Constraining Factors | 22 |
| Publication and Beyond | 25 |
| 5. Getting The Requirements | 27 |
| What is a requirement? | 28 |
| Cutover Requirements | 28 |
| Requirement Types | 29 |
| Soliciting Requirements | 30 |
| Organizing the Information | 32 |
| Validating Requirements | 32 |
| Traceability | 32 |
| 6. Scoping The Work | 37 |
| The Scope Statement | 39 |
| Traceability | 41 |
| Change Management | 41 |
| 7. Plan, Plan, Plan | 45 |
| The Project Plan | 45 |
| Tracks | 49 |
| Scheduling | 50 |
| Resource Leveling | 52 |
| Staffing the Project | 54 |
| 8. Not Another Meeting | 57 |
| Come One, Come All | 58 |
| State of the Union Turned Mr. Fix It | 59 |
| All the Ducks Not in a Row | 60 |
| Groundhog Day | 60 |
| The Quickie | 61 |
| All the President's Men | 61 |
| Who's Who | 62 |

THE HEALTHCARE IMPLEMENTATION EXPERIENCE

| | |
|--------------------------------------|----|
| 9. Building The Team | 65 |
| Who's on the Team? | 65 |
| Picking the Team | 67 |
| Keeping Them Energized | 67 |
| Conflict Management | 68 |
| Celebrate Success | 69 |
| 10. Installing The System | 71 |
| Planning | 71 |
| Infrastructure | 72 |
| Training | 72 |
| Database Choices | 73 |
| Environments | 74 |
| Disaster Recovery | 75 |
| Upgrades | 75 |
| 11. Configuring The Core | 77 |
| What is Configuration? | 77 |
| Do it on Paper First | 78 |
| Business Decisions | 79 |
| Proving the Concepts | 79 |
| Knowledge Transfer | 80 |
| 12. The Importance Of History | 83 |
| Transactional vs. Configuration | 84 |
| Converting Old Data | 84 |
| Crosswalks | 87 |
| How Far Back? | 88 |
| Accumulators | 89 |
| New System as a Data Source | 90 |
| 13. Custom Stuff | 93 |
| Critical Analysis | 95 |
| Business Partner Involvement | 96 |
| Electronic Data Interchange | 97 |
| Reports | 98 |
| Current Processes | 99 |

THE HEALTHCARE IMPLEMENTATION EXPERIENCE

| | |
|--|-----|
| 14. Things That Can And Will Go Wrong | 101 |
| Risks vs. Issues | 101 |
| One, and Only One Issue Log | 104 |
| Getting People to Report Issues | 105 |
| Managing Issues | 106 |
| Mitigating Risks | 106 |
| 15. The Daily Grind | 109 |
| What is Business Process Alignment or BPA? | 111 |
| Current State Mapping | 112 |
| Future State | 113 |
| Validation | 113 |
| Training | 113 |
| Organizational Effects of BPA | 114 |
| 16. Taking It For A Road Test | 115 |
| Start Testing Day One | 116 |
| Test Types | 116 |
| Proof of Concept Testing | 116 |
| Unit Testing | 117 |
| Integrated Testing | 118 |
| Model Office Testing | 118 |
| Regression Testing | 119 |
| Stress Testing | 119 |
| Expected Results | 121 |
| Using Actuarial Resources | 121 |
| Risk Tolerance | 122 |
| Testing Tools | 122 |
| 17. Time For Class | 125 |
| The Implementation Team | 126 |
| The Users | 127 |
| End User Training Programs | 128 |
| Train-the-Trainer | 129 |
| Learning Management Systems | 130 |

THE HEALTHCARE IMPLEMENTATION EXPERIENCE

| | |
|--------------------------------------|-----|
| 18. Keeping Everyone Informed | 133 |
| Project Web Site | 134 |
| Dashboards | 134 |
| Signs and Posters | 135 |
| Email | 135 |
| External Stakeholders | 136 |
| Communications Specialist | 138 |
| 19. Toeing The Line | 139 |
| Project Status | 139 |
| Metrics | 140 |
| Commitment and Support | 142 |
| Consequences | 143 |
| 20. Ready, Set, Go! | 147 |
| Preparation | 148 |
| The Support System | 149 |
| Making it Fun | 150 |
| 21. Ironing Out The Kinks | 153 |
| Starting off Slow | 154 |
| Production Bottlenecks | 155 |
| Workflow Problems | 156 |
| System Defects | 156 |
| Configuration Errors | 157 |
| 22. Who Is FlexTech? | 159 |

About the Authors

Mark Kulak, a Senior Consultant with FlexTech, has over 20 years of Project Management experience in the healthcare industry. He has held leadership positions at several large healthcare organizations working with Medicaid, Medicare, HMO, POS, PPO, Self-Funded, Behavioral Health and Dental applications. He has managed numerous system implementations, with responsibility for all phases of the project from initial planning and design activities through go-live, including management of the vendor relationship.



Mr. Kulak's work history includes extensive experience in relational database design theory and development. He has worked on application development projects from both the payer and provider sides, allowing him to see the bigger picture when approaching new projects. His product expertise with AMISYS, CSC, Eldorado, McKesson, QCSI, and Plexis includes configuration design, development, and troubleshooting

Mr. Kulak has earned a certificate in Project Management from Walsh College.

THE HEALTHCARE IMPLEMENTATION EXPERIENCE



Craig Penrose has over 20 years of managed care and systems experience. In his current role as Director of Procurement, Assessment and Consulting at FlexTech, he manages a staff of consultants and provides services in the areas of project management, system implementations, HIPAA assessments, system selections and operations re-engineering.

As lead project manager on seven successful system implementations, Craig also directed staff on numerous other implementations and re-engineering efforts. He has directed, managed or consulted on more than a dozen system and business assessments and over 20 system conversions.

Instrumental in the development of FlexTech's System Procurement Services, Craig has managed seven client system procurement engagements, including claims administration, care management and web portals. He participated in the initial development of the Product Functionality Matrix (PFM), vendor outreach and product assessments.

Craig holds Bachelor of Computer Science Degree from the University of Michigan and a Project Management Certification from Walsh College of Business. He also holds a Project Management Professional (PMP®) credential from the Project Management Institute (PMI®).



Edith Carbonell has over 18 years experience in the managed care industry. Her background includes experience at several managed care organizations, and includes management of configuration projects, implementing new business applications, gathering data requirements and recommending design/build strategies. Her recent role as Testing Lead for an East Coast implementation also included documentation of outcomes and conducting provider data analysis and QA queries to ensure configuration accuracy.

THE HEALTHCARE IMPLEMENTATION EXPERIENCE

As Team Lead for a TriZetto Facets™ implementation she created and reviewed test plans and test cases, as well as creating test scenarios that covered the complexities of health plan contracts due to permutations of input or system configuration. She utilized the IBM/Rational tool set to record and monitor test cases from inception through to linking to requirements, and IBM/Rational Robot to create source data for automated testing of claims.

Edith holds a Bachelor of Arts degree in Health Services Administration. She has also obtained her Project Management Professional (PMP®) credential from the Project Management Institute (PMI®).

With experience in the managed care field since 1992, **Darren Donnellan** has a broad range of business experience with HMO, POS, PPO, Medicaid, Medicare and TPA plans. During this time his extensive system conversion experience includes BA, TA and technical roles on an assortment of platforms including McKesson CCMS®, TriZetto QNXT™, TriZetto Facets, Eldorado Javelina, Amisys and a variety of EDI and Interface systems. He has designed extracts from legacy systems, created, tested and implemented data processes and managed development and maintenance progress. Darren's work experience includes developing testing databases, creating test cases and test plans, managing technical, unit, and functional testing phases through user acceptance and performing implementation and post-implementation issue resolution.



He has prepared functional and technical specifications for an assortment of systems and conducted training and system walk-throughs for technical implementations. His expertise also includes performing GAP analyses between disparate EDI and Interface systems, and identification and development of business as well as user requirements for system enhancements.

THE HEALTHCARE IMPLEMENTATION EXPERIENCE



Kathleen Fridley is a veteran of over 25 years in the healthcare IT arena, providing business analysis and decision support services to numerous organizations over the course of her career. She has taken on leadership roles across a wide spectrum of organizations providing project management for multiple client conversions and implementations. She has also served as Subject Matter Expert for Medical Management, providing oversight of configuration, training and go-live support, giving her a broad range of expertise across the entire system transition experience.

In her work as Project Manager for various system implementations, Kathleen assumes responsibility for status updates and assistance with resolution of vendor, system and resource challenges. She works to develop strategies and documents to address change control, configuration, decision process, training needs and risk assessment. She also routinely works with the Technical Team to assist in development of Integration and Interface strategies. Her proficient oversight has resulted in a history of projects completed on time and within budget.



Trudy Jager has been working in the healthcare and managed care field for over 20 years. During that time she served as Software Services Manager for a major software developer, managing a staff of 15. She functioned as project manager for several client implementations, coordinated efforts for software installation, consulting and training, and provided clients with an understanding of new software functionality, implementation process, and support activities. Trudy worked directly with software developers in the design of the software product and acted as liaison between developers and business users to provide technical specifications for design and functionality.

THE HEALTHCARE IMPLEMENTATION EXPERIENCE

Over the years, Trudy has been involved in the development of training classes at all levels, some designed for end-users and others specifically for “trainers”. She has designed and taught classes on database structure and query design to business analysts, ranging in size from individual training to class sizes of 30 people. Some of the classes were customized specifically for a client while others were “standardized” to allow repeated use by other trainers. Trudy holds a BS in secondary education and a MS in Healthcare Administration from Central Michigan University. She has also earned a Project Management Professional (PMP®) certification from the Project Management Institute (PMI®).

Bert Pampanin has been actively involved on the IT side of the managed care industry since 1993. He spent many years working at TPAs, and has had the unique opportunity to work both as an end-user and as a configuration/business analyst on many claims payor/operating systems. He has developed an area of expertise in system infrastructure and installations. His work begins with comprehensive requirements gathering prior to system design. He is also responsible for providing an analysis of the type of server and storage capacity necessary to handle the incoming and outgoing claims data flows. Through workflow analysis he assists in the design of the environment structure to include a test or development environment, a staging environment and a production environment. He is also involved in system security development, such as configuring user profiles, aliases and system activity-user access for each environment.



THE HEALTHCARE IMPLEMENTATION EXPERIENCE



Cheryl Harris has over 20 years experience in the managed care industry. Her background includes experience at diversified managed care organizations, and includes implementation and business process alignment roles. Her industry expertise includes QNXT, QMACS® and Amisys products, and includes work with Medicare, Medicare Advantage, Medicaid, HMO, BPO, MCO and commercial LOBs. She is a graduate of TriZetto's QNXT 2.6/3.0 Knowledge Transfer Program.

As a Business Process Alignment (BPA) team member, Cheryl has held the lead position for numerous BPA projects. Her responsibilities included facilitating meetings with stakeholders and department/unit team members, organizing and participating in requirements gathering through client/staff interviews and analyzing existing processes. Her work has included providing gap analyses, organizing documentation, creating workflows based on defined requirements, creating policy, procedure and desktop procedures as well as training documents. She has trained clients on the new processes to align them with the new system functionality, and has provided BPA workflow processes for clients in regard to claims processing, authorizations, utilization management, case management, finance, provider services and fee schedules.

Foreword

This book has been 20 years in the making. It is a compilation of a lot of successful experiences and even a few wrong turns in implementing healthcare systems since I founded FlexTech in 1989.

It consistently amazes me that consulting organizations, regardless of their size or marketing expertise, still cannot detail exactly what they will provide a client when bidding on a system implementation. Some vendors are guilty as well, having in many cases undersold, underestimated and poorly prepared clients regarding the length of time, their involvement and the eventual cost of implementing their software. I believe this book gives the answer to those questions, providing the information in a logical manner that allows clients to approach an implementation with their eyes wide open.



The content in this book has been developed by a group of talented consultants at FlexTech who have amassed decades of practical, hands-on experience in system implementations between them. Each of the real-life scenarios presented in this book provided useful guidance to the consultant from that point forward. The wealth of experience presented in this book is based on work with clients both large and small, from installing systems of varying complexities and refining the process over time to avoid making major time-consuming errors.

Each of the authors in this book has a special area of expertise, and when taken all together, their combined experiences create a comprehensive description of the implementation process in all its complex reality. This way, readers can develop an understanding of what they are likely to encounter prior to embarking on the process, and also an understanding of the validity of the various steps along the way. At FlexTech, we have found that the best business outcomes result from having open and informed client partnerships, and The HealthCare Implementation Experience is our effort to provide a clear and simple path to that place.

Craig Pfent
President, FlexTech, Inc.

THE HEALTHCARE IMPLEMENTATION EXPERIENCE



The Plumbers and Electricians of Implementations

Looking at an implementation project from a "brick and mortar" perspective.

One of our larger projects was implementing a licensed claims processing system for a health plan located in a city neighborhood that was in the middle of an urban renewal process. Their offices occupied several old warehouse buildings that over the past few years had been rehabilitated and converted to a very attractive and unique corporate campus. Shortly after we started on the project we observed a demolition crew razing one of the warehouses a couple of blocks away. The building they were demolishing was your typical old warehouse that at the time had taken up an entire city block. After about a month of wrecking balls, bulldozers, and other large machines there was no trace of the building save a few pieces of shattered redbrick. A few weeks later another crew appeared

THE HEALTHCARE IMPLEMENTATION EXPERIENCE

with a different collection of machines and a new building started to rise from the earth. After about 10 months a banner appeared announcing the grand opening of a new luxury apartment building and shortly thereafter new tenants were moving in.

So what does an apartment building have to do with system implementations? Probably not much, but it does provide an interesting comparison. During the time that the apartment complex was under construction several members of our team walked by that building many times, mainly because it was between the office and our favorite lunch spot. On several occasions we asked each other "Why does it take longer to implement a claims system than it does to construct an entire six-story apartment building the size of a city block!".

So if a building that size can be built in less time than it takes to implement a system, what makes these projects so different? Complexity is the first thing that comes to mind. Constructing a large building such as this certainly has to be more complex than implementing a system. This sort of building probably has its own computer systems for security, communications, and lighting perhaps. Size is certainly a consideration. While there's no valid comparison of the end products, the size in number of people involved and tasks performed definitely favors the construction project. There were easily 80-100 people at that construction site on any given day. The implementation project we were on had at most 50 people involved at any given time.

Maturity

People have been building housing for centuries so they've learned a lot over that time. Sure many of the early structures were crude and simple, but so were many of the early systems that we've used in our business. We just haven't had the practice and the benefit of hundreds of years of experience.

There are a growing number of improvement practices and programs currently available that can help out in this area. Depending on where you are with your project you may want to do a little investigation in the process improvement area. It's probably not advisable to attempt major changes in this area during your implementation project, but if you are early in the process you may have improvement opportunities that could yield substantial benefits.

Requirements

What are the requirements for your average luxury apartment? Two, maybe three bedrooms, a fully equipped kitchen with the latest appliances, high ceilings to make it feel larger, and of course a place for a giant flat-screen TV.

I N T R O D U C T I O N

Ok, that's not everything and given an hour or so we're sure you could come up with a pretty exhaustive list of what would be needed in this type of home. Doing the same thing for a claims system implementation is not quite so easy. There are thousands of requirements for even the smallest implementation project. Identifying, organizing and documenting all of this information is, to say the least, a daunting task. It is not surprising that most payer organizations do a very limited job developing requirements, if they do it at all.

Requirements development is an extremely detailed and tedious task. A seemingly simple requirement such as "Must issue a notice of denial of medical coverage within 2 days" is not all that simple when reduced to the level of detail needed to effectively meet the need. What is the notice and what does it look like? Who does it go to? When does the 2 day period start? Does it include weekends/holidays? If it includes holidays, whose holiday schedule does it follow? Is any of the content variable? There are probably another 20-25 questions that an experienced analyst would need answered to completely document the requirements for just one functionality point. There could easily be over 100,000 requirements for a mid to large scale implementation.

Fortunately most vendor systems have already identified the majority of the common, and some not so common, requirements which are met with the functionality in their systems. This doesn't eliminate the need for good requirements analysis and development, but it does change the approach somewhat.

Standardization

The construction trade has standardized many of its components and processes over the years. Doors are 7' 6" tall, walls are 4" thick, and cabinets come in standard dimensions. Plumbers, electricians, and HVAC technicians all follow the same processes when they do their jobs. In our projects, we're lucky if the configuration analyst and the testing lead use the same issue log tool! Standardization is a key reason that one electrician can leave at quitting time on Wednesday and another, who has never set foot in the building, can walk in Thursday morning with virtually no productivity loss. In our projects it takes weeks, sometimes even months, for staff to come up to speed on our tools and processes.

Developing your own standards for documents, meeting schedules, tools, communications, and many other items and processes will greatly reduce confusion, increase consistency, and save precious time. To make this effective

THE HEALTHCARE IMPLEMENTATION EXPERIENCE

though, you will need to train the team regarding the standard that you've developed and consistently enforce their use. Allowing just one team member to submit a status report in a different format because "they just don't have the time" can undermine the entire process.

Planning

Before that first bulldozer arrived to raze that old warehouse you can be sure that the project managers spent many months planning every little detail of the project. They talked to the heavy machine operators to learn how long it would take them to demolish the warehouse. Discussed how the debris and materials would be removed from the site and disposed of or recycled. Worked diligently with the bricklayers, drywall hangers and finishers, plumbers, electricians, and just about everyone else to determine how much materials they would need and how long they'd take to get their part of the job done.

We typically don't get down to that level of detailed planning in our projects and then wonder why they never finish on time and are always over budget.

So, while apartment building construction and system implementation projects are vastly dissimilar in their end products we all could probably learn a little from the construction crew's efforts. You can also learn a lot from our efforts as well. Over the past 20 years FlexTech's consultants have participated in hundreds of implementation projects. These projects have ranged from small PPO's to 1,000,000 member plus HMOs spanning multiple states. Our staff, past and present, have significantly contributed to projects in every line of business. We've worked with every type of health care insurance and managed care product that exists or has existed in the US healthcare market.

With over 1,200 collective years of healthcare experience FlexTech's consultants bring to you the best and share some of their worst experiences that our industry has to offer. These are their stories...