

ICD-11 Readiness FAQ

FORHP would like all rural facilities to prepare for the ICD-11 rollout to the best of their abilities. SHIP funding priorities are based on needs through May 2028 to implement quality and operational improvement efforts to align with value-based care.

While some hospitals may not be ready to embark on the ICD-11 journey, particularly system hospitals, there are some ways to support SHIP hospitals as they begin ICD-11 Readiness:

- ICD-10 was a priority in the last NOFO, and ICD-11 is a continuation of that priority in hopes that hospitals will have more time to implement plans and training.
- ICD-11 will most likely be implemented in the middle of this grant cycle (FY23-FY27, up to May 2028) so having a plan for later SHIP fund use is essential.
- ICD-11 readiness does not mean "implementation." Readiness implies steps to ensure a plan is in place for implementation later.
- System hospitals can use SHIP funds in supporting areas for ICD-11 readiness (see below).

SORHs should work with all eligible hospitals to ensure they meet the grant requirements and help with ICD-11 readiness.

ICD-11 Allowable Expenses



IDEA: We've heard from Oregon how they plan to meet this priority area for their eligible hospitals. They will offer a state-wide ICD-11 "training" based on the newly developed WHO training materials for hospitals ([WHO ICD-11, "Learn More"](#)). This can be as simple as hosting a webinar with a subject matter expert (SME) that covers the new areas of ICD-11, ideas for readiness, training on further usage, etc. In this case, Oregon will have met the priority for ALL their hospitals in one step and with one event.

Before you accept a hospital's response of "no," be sure to ask, *"Can any of their current funding requests/plans also help ready the hospital for future ICD-11 implementation?"* In some cases, the answer may be yes.

Examples of SHIP allowable expenses that can be used for ICD-11 readiness:

- Computer software upgrades to support a future transition to ICD-11. This can be operating systems or specific coding systems.
- Computer hardware that improves quality, efficiencies, and coding.
- Transition to an online coding system that automatically makes ICD-11 available when appropriate.
- Upgrading or implementing telehealth software and hardware to take advantage of new/updated ICD-11 codes for telehealth/telemedical services.
- Social Determinants of Health and Population Health Training (with the intent to use new ICD-11 or Z-codes).

- Efficiency or QI training to train staff on implementing ICD-11 plans and initiatives to minimize the impact on patients and staff.
- Revenue Cycle Management training.
- Trainings that update and computerize hospital policies and procedures to prepare for ICD-11.

Compliance with the ICD-11 priority may be as simple as identifying an existing expense as one that can be used for ICD-11 readiness.

Exemptions

Exemptions are intended to be used when all other options have been exhausted. Please encourage your eligible SHIP hospitals to utilize one of the options above *before* offering an exemption. Exemptions are additional steps for the hospitals, the states, and the SHIP team at FORHP. While they may serve as a temporary relief in this application cycle, all exemptions must be revisited, resubmitted, and reconsidered each year. Below you'll find some guidance on exemptions to the ICD-11 priority.

Does every individual facility requesting an exemption need one?

Yes. Each facility applying for SHIP funds without an ICD-11 priority will need an exemption.

What if a facility plans to make ICD-11 a priority in later years, but not the first?

Yes. A facility that plans on ICD-11 readiness at a future date will need an exemption.

How do I submit for an exemption?

Collect all the hospital application information from your state and email ALL exemption requests as a table/excel file in ONE email to your FORHP [Project Officer](#).

What information is needed when requesting an exemption?

In your table/Excel, you should list the hospital's full name and city, and a **short** justification.

When do exemptions need to be requested?

As soon as you have a response from your collective hospitals, you should submit your exemption email to your [Project Officer](#). Preferably 2-3 weeks in advance of the November 8 application deadline.

What if I need more time?

Reach out to your [Project Officer](#) as soon as you realize you may need more time to collect exemption information. They are happy to work with you to alleviate any roadblocks or stressors.

How long will it take for an exemption to be approved?

States requesting exemptions on behalf of their hospitals should expect a decision within a business week, provided all

Will exempted hospitals need to apply for an exemption each year?

documentation and information are included.

Yes. Exemptions are granted yearly, and hospitals should re-evaluate their needs as they would other activities.