ICD-10: It's Really Coming.
Are You Ready?

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Small Rural Hospital Improvement Grant Program (SHIP)

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Background

- **ICD** = International Statistical Classifications of Diseases and Related Health Problems is overseen and endorsed by the World Health Organization, and is the international standard for diagnosis and classification of epidemiological general health and clinical use.

- ICD-10 is the tenth revision of ICD, and was completed around 1992

- Current version of ICD-10 includes over 68,000 CM codes, compared to 14,000 ICD-9 codes

- ICD procedure codes will increase from 4,000 ICD-9 codes to 87,000 and counting in ICD-10

- Few codes directly crosswalk from ICD-9 to ICD-10 selections

- Adopted by member states beginning 1994

- US will adopt ICD-10 on October 1, 2014

"You can avoid reality, but you cannot avoid the consequences of reality" -Ayn Rand

Medicare Instruction to MAC

- ICD-9 codes no longer accepted on claims after October 1, 2014
- ICD-10 codes will not be recognized/accepted on claims before October 1, 2014
- Claims cannot contain both ICD-9 codes and ICD-10 codes
- Claims that span implementation dates: follow claim-specific instructions for from-through date for diagnosis assignment
- Institutional Claims – Return to Provider (RTP)
- Professional/Supplier Claims—Return as Unprocessable
- CMS will be responsible for converting *selected* NCDs from ICD-9 to ICD-10
- MACs will be responsible for converting LCDs from ICD-9 to ICD-10 by 10/1/2014
- CMS has directed MACs to test claim passage
- CMS has no plans to test adjudication

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Bill Type(s)	Facility Type/Services	Claims Processing Requirement	Use FROM or THROUGH Date
11X	Inpatient Hospitals (incl. TERFHA hospitals, Prospective Payment System (PPS) hospitals, Long Term Care Hospitals (LTCHs), Critical Access Hospitals (CAHs)	If the hospital claim has a discharge and/or through date on or after 10/1/13, then the entire claim is billed using ICD-10.	THROUGH
12X	Inpatient Part B Hospital Services	Split Claims - Require providers split the claim so all ICD-9 codes remain on one claim with Dates of Service (DOS) through 9/30/2013 and all ICD-10 codes placed on the other claim with DOS beginning 10/1/2013 and later.	FROM
13X	Outpatient Hospital	Split Claims - Require providers split the claim so all ICD-9 codes remain on one claim with Dates of Service (DOS) through 9/30/2013 and all ICD-10 codes placed on the other claim with DOS beginning 10/1/2013 and later.	FROM
14X	Non-patient Laboratory Services	Split Claims - Require providers split the claim so all ICD-9 codes remain on one claim with Dates of Service (DOS) through 9/30/2013 and all ICD-10 codes placed on the other claim with DOS beginning 10/1/2013 and later.	FROM
18X	Swing Beds	If the [Swing bed or SNF] claim has a discharge and/or through date on or after 10/1/13, then the entire claim is	THROUGH

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Plan for the Change

- ICD-10 implementation will affect every aspect of the patient/provider/facility encounter

- Implementation will require system changes, extensive training, and considerable expense

- CMS estimates denials will increase 100-200%

- CMS estimates receivables (A/R days) to increase 20-40%

- CMS estimates claim error rates to increase 6-10%

- AMA cites Implementation costs of $83,000 to $2.7 million dollars for physician practices

- Implementation team should include senior management, department leadership, and finance

http://himss.files.cms-plus.com/HIMSSorg/content/files/icd10/G7AdvisoryReport_ICD10%20Version12.pdf

Getting Started

Appoint Steering Committee members

Agree to meeting schedule and mission

Develop and Communicate message

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Steering Committee

Hospital:
Contact:

1   Does your facility currently have an ICD - 10 steering committee?   Yes   No
    please proceed to question 8.

The following questions apply if you answered yes to question # 1. If you answered no,

2   If yes, please identify the names and department for each of the people on the committee:

Name	Department			
1	Clinic Administrator	8	If you do not have an implementation team, what is the obstacle?	
2	Medical Records		Administration support	
3	Medical Records Coder		Lack of direction	
4	Business Office		Lack of departmental participation	
5	Financial Controller		Lack of urgency	
6	Home Health		Other	
7	Community Health Clinic			
8	Surgical Clinic		Describe other reason in the space below	
9	IT			
10	Lab			

3   How often does your committee meet?:
    Weekly
    Monthly
    Quarterly

4   To whom does the committee directly report?
    CEO
    CFO
    COO
    Compliance
    HIM

                                                            Yes   No

5   Are minutes taken at each meeting?

6   Is there an agenda for each meeting?

7   Does the team have an implementation plan and schedule?

Departments

Hospital:
Contact:

	Please identify whether the following services are provided within your facility:		If yes, do you bill for professional and technical services?		If yes, does the service recognize revenue via paper encounter form or via electronic file?		If paper encounter, is electronic implementation planned before 10/1/2014?	
	Yes	**No**	**P**	**T**	**Paper**	**Electronic**	**Yes**	**Date**
Laboratory								
Radiology								
Physical Therapy								
Occupational Therapy								
Speech Therapy								
Audiology								
Nutrition Therapy								
Respiratory Therapy								
Pulmonary Function Testing								
Operating Room- Major								
Operating Room- Endoscopy								
Anesthesia								
Observation								
Physician Outpatient Clinics								
Ambulatory Infusion Center								
Sleep Lab								
EMG								
Emergency								
IV Therapy								

Initiating IS Assessments

> Identify all internal software, reports or processes that utilize or store ICD-9 codes

> Identify all vendors that utilize, store, report, or require an understanding of ICD-9 codes

> What font do systems, tools, training, and education use?

- ICD-10 utilizes upper and lower case: I l 1 or 0 O can be confused
- Ensure Font can identify differences such as
  - O03.1 Delayed excessive hemorrhage following incomplete spontaneous abortion
  - I11.0 Hypertensive Heart Disease with Heart Failure
  - I70.511 Atherosclerosis of non autologous bypass graft of extremities intermittent claudication

"Each problem that I solved became a rule which served afterwards to solve other problems." Rene Descartes

Hospital:
Contact:

For the items below please identify all that are applicable.

Application	Vendor	Version	Departmental Contact	Vendor Contact	Vendor Phone	Vendor Email
EMR Inpatient						
EMR Outpatient						
EMR Rehab Services						
EMR other						
RIS						
HIM Coder (3M etc.)						
DRG Calculators if separate from HIM system						
Billing system - Hospital						
Billing System - Physician						
Clearinghouse (scrubber)						
Denial Management software						
Case Management software						
Clinical Decision Support software						
E Prescribe						
Outpatient pharmacy billing system						
Lab OE interface system (Sunquest etc.)						
Pre-Authorization service (list all if payor specific)						
Pre-Authorization service (list all if payor specific)						
Pre-Authorization service (list all if payor specific)						
Pre-Authorization service (list all if payor specific)						
Other:						

Vendor Queries

| Vendor:	Response
Application:	
Version:	
Contact Name:	
Contact Phone:	
Contac EmailE-Mail:	
What departments or areas within the practice are using the data collected or provided by this application?	
Does this application currently utilize ICD-9-CM codes?	
If no, is the application planned to use ICD-9-CM or ICD-10-CM ?	
If yes, How is the system currently using ICD-9-CM codes?	
Provide a brief description of how you plan to accommodate the ICD-10-CM code sets in this application.	
When will the system upgrade to ICD-10 codes?	
Will any other upgrades be planned in conjunction with ICD-10 implmentation?	
Will system allow ICD-10 searches alphabetically, by tabular index and/or by clinical concept?	
List all vendor-supported interfaces that will be affected by the ICD-10-CM code set and how each will be remediated.	
Identify other systems that link to this application to transmit ICD-9-CM codes.	
How will ICD10 case sensitive coding be handled?	
Specify whether or not the application will be able to accommodate both the ICD-10-CM and ICD-9-CM code sets in a span date testing strategy.	
Specify how the version of this application compatible with ICD-10-CM codes will handle ICD-9-CM codes interfaced from other applications (for example, will ICD-9-CM codes be cross-walked to ICD-10-CM within the system?	
List all steps that this organization must perform to implement the ICD-10-CM code set in this application.	

Can Vendor provide resources and strategies others have used successfully?

Current/Future State: Processes

- Create surveys
  - Who has heard of ICD-10?
  - What does ICD-10 mean to the position surveyed?
  - Does the job require the use of diagnosis codes or diagnosis information?
  - If so, in what way?
- Identify all workflows that may be impacted by changes
- Determine current-state average-time-per-patient per team involved
- Compare results to current volume and expected impact of ICD-10 to each position evaluated
- Evaluate future need for readiness plan and budgeting

Initiating Operational Assessments

Develop cradle to grave flow map
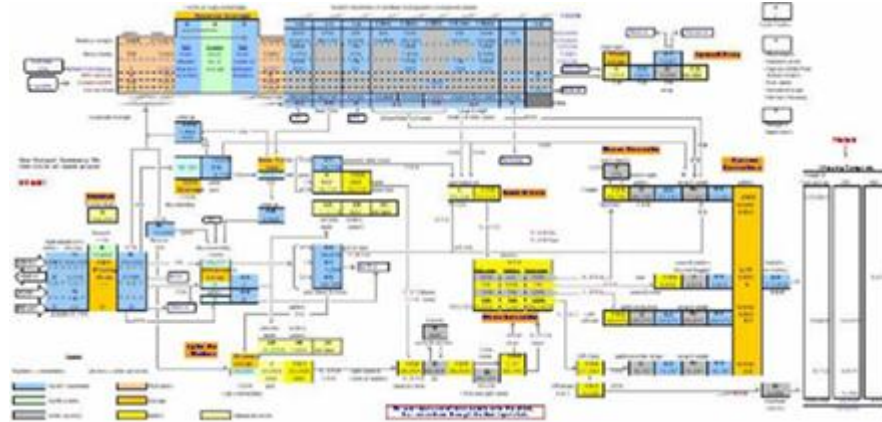
Identify each person/process/department involved in a patient encounter, both inpatient and outpatient

Can improvements be made now?

- Implement improvements to buffer the impact of ICD-10

Evaluate impact of ICD changes to position identified

- Will current staffing be sufficient?
- Can increase in lag day or claim submission be absorbed?

Hospital:

Contact:

Department	Does Position Require Diagnosis or understanding of Diagnosis?	Current Time Required to Perform all Tasks per Patient	Does current staffing meet or exceed current needs?	Can current process be improved upon?	Improvement Options	Education and Training Required for ICD-10? If Y assign level from previous worksheet	Impact to time expected for ICD-10	Can current staffing accommodate future needs?	Staffing changes recommend-ed
Scheduling Registration Preauthorization									
Medical Assistant									
Nurse									
Provider									
Case Management									
Utilization Review									
Coding									
Data Entry									
Billing									
Clearing House									
Payor									
Cash Posting									
Follow Up									
Customer Service									
Collections									

Identify all business and community partners that require ICD-9 codes or understanding from you

Identify all community partners to whom you refer patients

- Rehabilitation
- Lab
- Radiology
- ASC
- Hospitals
- Specialists
- Other
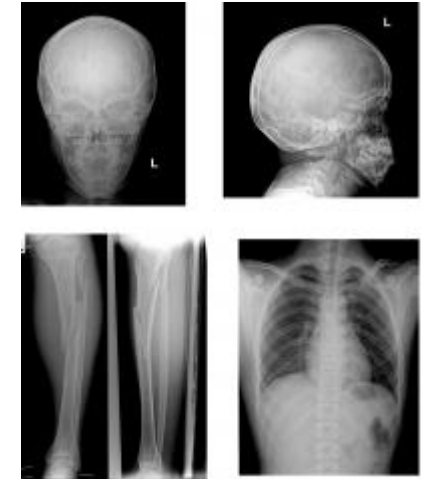
Hospital Practice:

Contact:

Partner (List each in every category)	Are diagnosis codes required to/from Partner?	Are Preauthorization /Precertifications required?	What is ICD-10 readiness timeline?	What changes are required of us to provide uninterrupted patient care?	When will changes be required?	Will testing be necessary?	When can testing be scheduled?
Hospital Outpatient Services (list all)							
Lab							
Rehabilitative Services							
Radiology							
Specialist Practice							
Specialist Practice							
Specialist Practice							
Specialist Practice							
ASC Center (List Each)							

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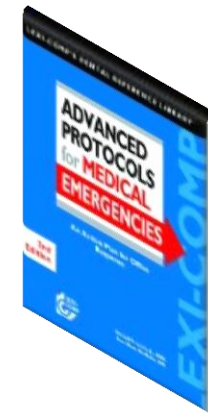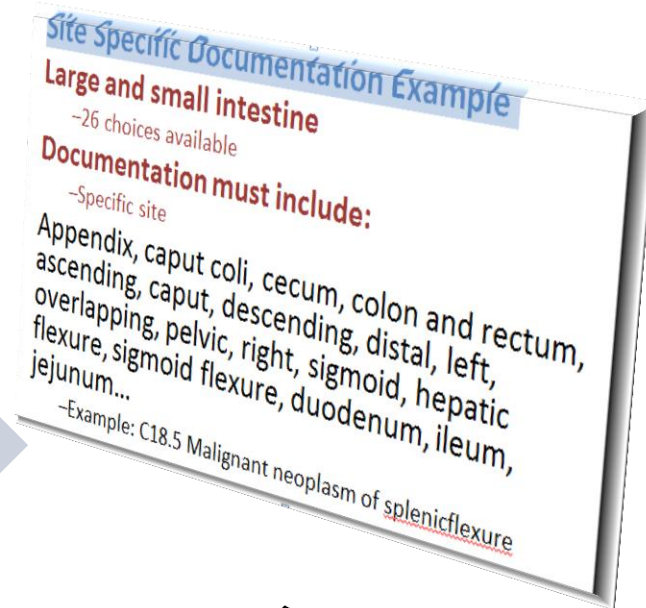
Identify all personnel whose job function currently requires the use or understanding of ICD-9 codes

Identify all providers documenting services

Assign personnel into training levels to plan training needs

Identify all policies, procedures, and protocols impacted by the specificity of ICD-10

Site Specific Documentation Example

Large and small intestine
–26 choices available

Documentation must include:
–Specific site

Appendix, caput coli, cecum, colon and rectum, ascending, caput, descending, distal, left, overlapping, pelvic, right, sigmoid, hepatic flexure, sigmoid flexure, duodenum, ileum, jejunum...
–Example: C18.5 Malignant neoplasm of splenicflexure

ADVANCED PROTOCOLS for MEDICAL EMERGENCIES

EXI-COMP

Symbol Description	Use
] Brackets	Enclose synonym or explanation
] Slanted Bracket	manifestation codes, codes that should not be primary, list second
) Parenthesis	Supplemental words, non essential modifiers
Colon	Incomplete terms requiring one or more modifiers

Hospital:

Contact:

Department	Job Title	Name	Assign ICD-9 Procedure codes	Assign ICD-9 Diagnosis codes	Document diagnosis and procedure codes	Data Entry Patient Diagnosis	Review billing codes	Write medical protocols, P&P	Use medical protocols	Read billing information and respond to patients	Preauthorize services	Accept or assign diagnosis Codes	Other	Level of Training Required

Initiate Payor Queries

Identify all HIPAA and Non-HIPAA Payors

Identify pre-authorization vendor

How are claims transmitted?

If electronic, do claims pass through a clearinghouse?

Pre-Authorization

Clearinghouse

Payor

Hospital? Practice?:

Contact:

	Medicare	Medicaid	Blue Cross	United Health	Aetna	Cigna
Paper or Electronic Billing?						
Clearinghouse?						
Non-HIPAA: Will you be updating to ICD-10?						
When will update to ICD-10 be completed?						
Will other changes be made to the claim system with this upgrade?						
Will I need to renegotiate contract or EDI agreement?						
When will Medical Policies be updated to accommodate ICD-10?						
Will Medical Policies contain unlisted codes?						
Will Clearinghouse testing be performed based on updated policies for medical necessity?						
When can testing of ICD-10 transactions be scheduled?						
Explain Preauthorization requirements during transition period						
Will testing be performed with preauthorization vendors?						
How will COB with non-HIPAA ICD-9 partners be handled?						
Will training be available for navigation of system changes and online claim adjustments?						
What is expected change to payment schedule?						

Determine Financial Impact

If your facility has created a steering committee and set a schedule and timetable for implementation then you should have:

- Identified the costs associated with implementation
- Examined the impact of increased staffing
- Examined the impact of increased denials
- Examined the impact to departmental and physician productivity
- Modified budgets where necessary

Facility/Practice:
Contact Person:

Information systems		Cost Estimate
Practice Management System Upgrades		
EMR Upgrades		
Coding Software/Upgrades		
IT and consulting		
Total		
Auditing/Review/Crosswalk	**Time Estimate**	**Cost Estimate**
General Consulting Audit Year 1 @ xxx per provider		
General Consulting Audit Year 2		
General Consulting Audit Year 3		
Review of Systems Process		
Crosswalking and Mapping		
Totals		
Education and Training	**Time Estimate**	**Cost Estimate**
Physicians		
Therapists		
Coders		
Management		
Nurses		
Ancillary		
Total		
Overtime	**Time Estimate**	**Cost Estimate**
Coders		
Ancillary Staff		
Other		
Productivity Losses (schedule adjustments)		
Totals		
Temporary Staffing	**Time Estimate**	**Cost Estimate**
IS		
Coders		
Billers		
Data Entry		
Other		
Totals		
Totals	**Time Estimate**	**Cost Estimate**
IS		
Consulting/Auditin/Crosswalking		
Training		
Overtime		
Temporary Staffing		
Total Estimated Expenses		

Determine Financial Impact

Identify the costs associated with implementation

- Courses
- Books
- Overtime
- Outside agencies for coverage
- Technology changes / updates
- Reallocation of duties for departmental heads
- Cost of account rework
- Internal communication / messaging
- Customer service announcements

Prepare for Impact to Coding Productivity

Sample Canadian Coding Productivity (Charts Completed per Hour) Pre- and Post-ICD-10 Implementation			
	ICD-9-CM(April 2002)	Start ICD-10-CA/CCI(July 2002)	ICD-10-CA/CCI(April 2003)
Inpatient	4.62	2.15	3.75
Day Surgery	10.68	3.82	8.53
Emergency	10.37	6.49	8.83

Note: Data taken from Humber River Regional Hospital, Toronto, Ontario, Canada

http://www.himss.org/content/files/HIMSS_%20ICD_10_TaskForceDec17final.pdf

Training Budget - AHIMA ICD-10 Options

Expert Trainer in Diagnosis and Procedure Coding

- 3 day course
- 32 CEUs
- $1,895-$2,395 depending on number of trainees and membership status

Online Options

- 28 hours acute care code set training for ICD-10 CM
  - $999 regular price or $849 with member discount per person
- 40 hours specialty code set training for ICD-10 PCS
  - $999 regular price or $849 with member discount
- Practice exams inpatient or outpatient $99 each, or $89 with member discount
- (Note: Your costs may be different than above.)

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ICD-10 Preparedness Education	Anatomy and Physiology	Fundamentals of ICD-10 Coding Specifically for Coders, Billers and CDI personnel
Prepares coders for AAPC exam	CEUs available for AHIMA requirement	Pricing available on request

Determine Financial Impact - Denials
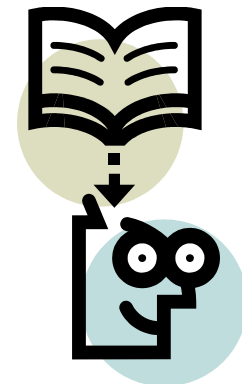
> **Examine the impact of increased denials**

- Does your facility / physician practice have a denial management program?
- Do adjustment codes clearly identify denials, adjustments and write-offs
- What is your current denial rate, write-off amount?
- What is the financial impact for denials/write offs?
- Is it appropriate or do you have a cash flow problem?
- Is your business office trained appropriately?
- Do you use your billing system to distinguish between denials by payor?
- Who owns your hospital denials?
- Are your physician practices accountable?

Examine the impact on departmental and physician productivity

Will the physician practices reduce their schedules for a period of time?	

| If so, what is the impact on:	Physician gross revenue	
	Ancillary physician revenue	Clinic procedures, ancillary lab or radiology revenue, operating room cases
	Ancillary hospital revenue	Lab, radiology, rehab services, OR cases

Will hospital services reduce their schedules?

What is the impact of lower lab, radiology or elective OR cases?

When will production return to current schedules?

What is your fall back plan in case of complications?

Determine Financial Impact
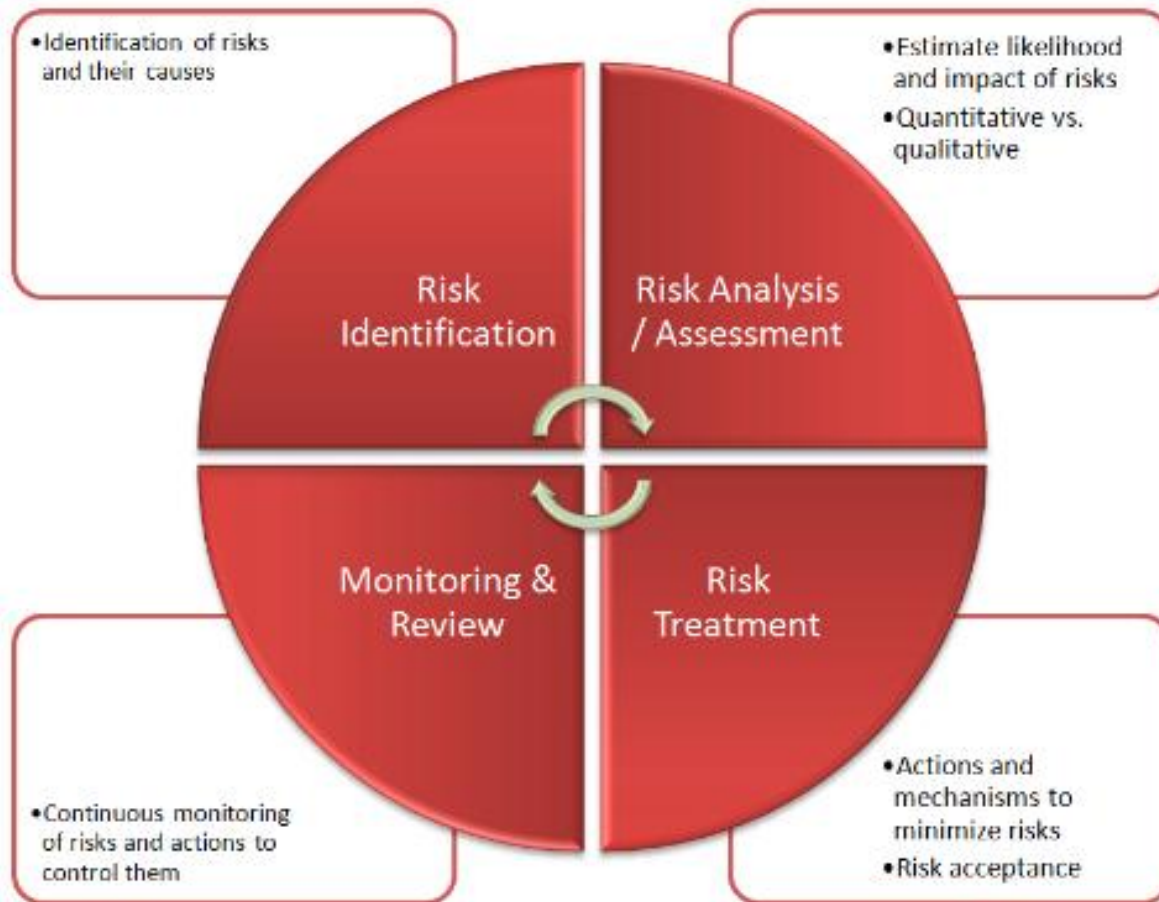
Modify budgets where necessary

- All budgets need to be reviewed:
  - Expense
  - Revenue
- Lower volumes will impact pharmacy and supply expenses
- Training and implementation demands will increase staffing expenses
- Do you have buy-in from senior management, departmental leadership and the implementation steering committee?
- Did you evaluate the impact to revenue and cash flow of:
  - Increased unbilled accounts
  - Increased denials
  - Increased late charges
  - Increased time of payment schedules?

Mitigate Financial Impact

Can working capitol pre and post implementation be forecasted?

What steps can be taken to do so now?

- Can products or resources be added to improve A/R days?
- Can process improvements be identified and implemented?

What credit products are available to assist with working unanticipated or unbudgeted negative impacts to working capitol during transition?

Thank you!

Questions?

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