The Transition to ICD-10

From Uncertainty to Imperative: Innovations in ICD-10 Planning & Adoption

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Topics to Be Covered

• Brief history of ICD-10
• New ICD-10 compliance date
• ICD-10 overview
• Why the transition to ICD-10
• Making the switch to ICD-10
• CMS resources and implementation tools
• Key takeaways
Brief History of ICD-10

- **August 2008:** HHS publishes proposed rule with October 1, 2011 compliance date; asks for industry feedback
- **January 2009:** HHS publishes final rule with October 1, 2013 compliance date based on industry feedback; also pushes back Version 5010 compliance to January 1, 2012
- **January 1, 2012:** Compliance deadline for Version 5010; enforcement discretion period is issued until June 30, 2012
- **February 15, 2012:** The Secretary announces HHS’ intention to delay ICD-10
- **April 17, 2012:** HHS publishes proposed rule to delay implementation of ICD-10-CM and PCS until October 1, 2014
September 5, 2012: HHS publishes final rule delaying the compliance deadline for ICD-10-CM and PCS from October 1, 2013 to October 1, 2014.
Why the Delay?

- Version 5010 implementation
- Delayed or non-payment problems for providers
- Other initiatives (e.g., meaningful use, incentive payment program)
- Benefits of additional time
Overview of ICD-10

- ICD-10 CM/PCS consists of two parts:
  - ICD-10-CM for **diagnosis coding** in all health care settings
  - ICD-10-PCS for **inpatient procedure coding** in hospital settings
- CPT coding for outpatient and office procedures is **not** affected by the ICD-10 transition
ICD-10-CM replaces ICD-9-CM for diagnosis coding:

- ICD-9-CM diagnosis codes = 3 to 5 digits
- ICD-10-CM codes = 3 to 7 digits
- Overall format of ICD-10 diagnosis codes similar to ICD-9
ICD-10 PCS replaces ICD-9-CM inpatient procedure coding:

• ICD-9-CM procedure codes = 3 to 4 numeric digits
• ICD-10-PCS codes = 7 alphanumeric digits
• ICD-10-PCS code format substantially different from ICD-9
• Unlike ICD-9, ICD-10 expands details for many conditions
Why ICD-10

- ICD-10 better reflects current medical practice and provides more specific data than ICD-9
  - ICD-10-CM:
    - Describes left vs. right, initial vs. subsequent encounter, routine vs. delayed healing and nonunion vs. malunion
  - ICD-10-PCS:
    - Provides detailed information on procedures and distinct codes for all types of devices
- Structure accommodates addition of new codes
  - The current coding system is running out of capacity and cannot accommodate future state of health care
ICD-10, Health Care Quality

ICD-10 codes will provide better data. This will allow:

• Better analysis of disease patterns
• Improved public health tracking
• Better detection of fraud and abuse
• Identification of specific reasons for patient non-compliance
• Detailed data on injuries, accidents
ICD-10, Health Care Quality

Data captured through ICD-10 codes will also allow:

• Tracking health care-associated conditions
• Specification of procedures by degree of difficulty
• Alignment with electronic health records
Using ICD-10 Data to Drive Quality Improvement

- ICD-10 data can be used to drive organizational change for quality improvement
  - Providers and payers can more easily identify patients in need of disease management
  - Organizations can develop more effective and tailored disease management programs
  - Existing technologies, systems, and processes can be evaluated and redesigned to enhance patient care
Making the Switch to ICD-10
Planning, Communication, Assessment

Timeframe: October to December 2012

• Create ICD-10 project team or identify ICD-10 coordination manager for your practice
• Communicate with internal staff and physicians as well as payers, other business partners
• Perform assessment to determine how the transition to ICD-10 will affect your practice
• Evaluate vendors
• Develop ICD-10 plan
• Estimate budget and timeline
Evaluating Vendors

Key steps for vendor evaluation:

• Identify your current vendors

• Contact vendors to determine whether they are on target to meet the transition deadline, or to find out how they will help you meet the deadline

• Assess whether you want or need to develop new vendor relationships

• Evaluate your current vendor or new vendor by asking key questions (about mapping between ICD-9 and ICD-10, training, costs for updates, dual coding, etc.)
**Preparation**

**Timeframe: January 2013 to October 1, 2013**

- Install software
- Conduct testing within your organization
- Update forms and superbill
- Coordinate with payers on payment contracts
- Arrange staff training on software and upcoming process changes
- Develop plan to minimize potential disruptions
“Go-Live” Preparation

Timeframe: October 1, 2013 to October 1, 2014

• Test with payers and other business partners
• Provide training for staff responsible for coding (6-9 months before deadline)
• Start using ICD-10 codes for services provided on or after October 1, 2014
• Review effects of ICD-10 on practice activities and make adjustments as needed
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Communicating with Your Software Vendor

An important step in preparing for the transition to ICD-10 is to talk with any software vendors you use to be sure they are ready to provide the support you need. Contact your vendor to discuss their ICD-10 implementation plans and timelines for system upgrades, testing, staff training, and on-going support. This will allow you to plan your implementation activities, budget, and timeline accordingly.

To help you get the conversation started, below are key questions to consider asking an existing vendor or a new vendor about their ICD-10 plans.

Existing Vendors

To sign up:

1. Go to http://cms.gov/icd10
2. Select CMS ICD-10 Industry Email Updates from the left navigation bar
The widget can be viewed in an interactive format or downloaded and viewed as a PDF.
Medscape Modules on ICD-10

- Two video lectures
  - ICD-10: A Guide for Large Practices
- Expert article
  - Transition to ICD-10: Getting Started
Key Takeaways

• ICD-10 will provide better data for evaluating and improving the quality of patient care
• Organizations should be taking steps now to prepare for ICD-10
• Visit the CMS ICD-10 website for information and resources on ICD-10
• Sign up for ICD-10 Email Updates
Questions?

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