

ICD-10 Working Group Kick off meeting

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Agenda

- Purpose of the workgroup
- Background - what must we do, when must we do it
- A typical project plan
- Thinking about staff and budget implications
- Next meeting/next steps

Federal Requirement

- X12 Version 5010 of Electronic Healthcare Transaction Set in production by January 1, 2012
- ICD-10-CM/PCS in production by
- October 1, 2013

ICD-10: Implementation issues

- Codes are the language of healthcare and will impact virtually all areas of healthcare.



Impact

- Reimbursement – DRGs and coverage
- Payer contracts
- Forms
- Software – inhouse and vendor
- Quality reporting codes
- Clinical documentation
- Trading partners

Possible Systems & Applications Affected

■ Encoding Software	Case Management
Case Mix Systems	Clinical Protocols
Medical Record Abstracting	Test Ordering Systems
Billing Systems	Clinical Reminder Systems
Registration & Scheduling Sys	Performance Measurement Sys
Accounting Systems	Medical Necessity Software
Decision Support Systems	Disease Management Systems
Clinical Systems	Provider Profiling Systems
Utilization Management	Aggregate Data Reporting
Quality Management	

Code Comparison

Type	ICD-9	ICD-10
Diagnostic	~13,000	~68,000
Procedure	~3,800	~72,000
Total	~16,800	~140,000

Reimbursement and Quality Problems with ICD-9-CM

- **Example – fracture of wrist**
- Patient fractures left wrist
 - A month later, fractures right wrist
 - ICD-9-CM does not identify left versus right – **requires additional documentation**
- ICD-10-CM describes
 - Left versus right
 - Initial encounter, subsequent encounter
 - Routine healing, delayed healing, nonunion, or malunion

Structural Differences ICD-9-CM Diagnoses

- ICD-9-MC has 3 – 5 digits
- Chapters 1 – 17: all characters are numeric
- Supplemental chapters: first digit is alpha (E or V), remainder are numeric
- Examples:
 - 496 Chronic airway obstruction not elsewhere classified (NEC)
 - 511.9 Unspecified pleural effusion
 - V02.61 Hepatitis B carrier

Structural Differences ICD-10-CM Diagnoses

- ICD-10-CM has 3 – 7 digits
- Digit 1 is alpha (A-Z, not case sensitive)

- Digit 2 is numeric

- Digit 3 is alpha (no case sensitive) or numeric
 - A66 Yaws
 - A69.20 Lyme disease, unspecified
 - O9A.311 Physical abuse complicating pregnancy, first trimester
 - S42.001A Fracture of unspecified part of right clavicle, initial encounter for closed fracture

3M Analysis FY10 Inpatient Activity

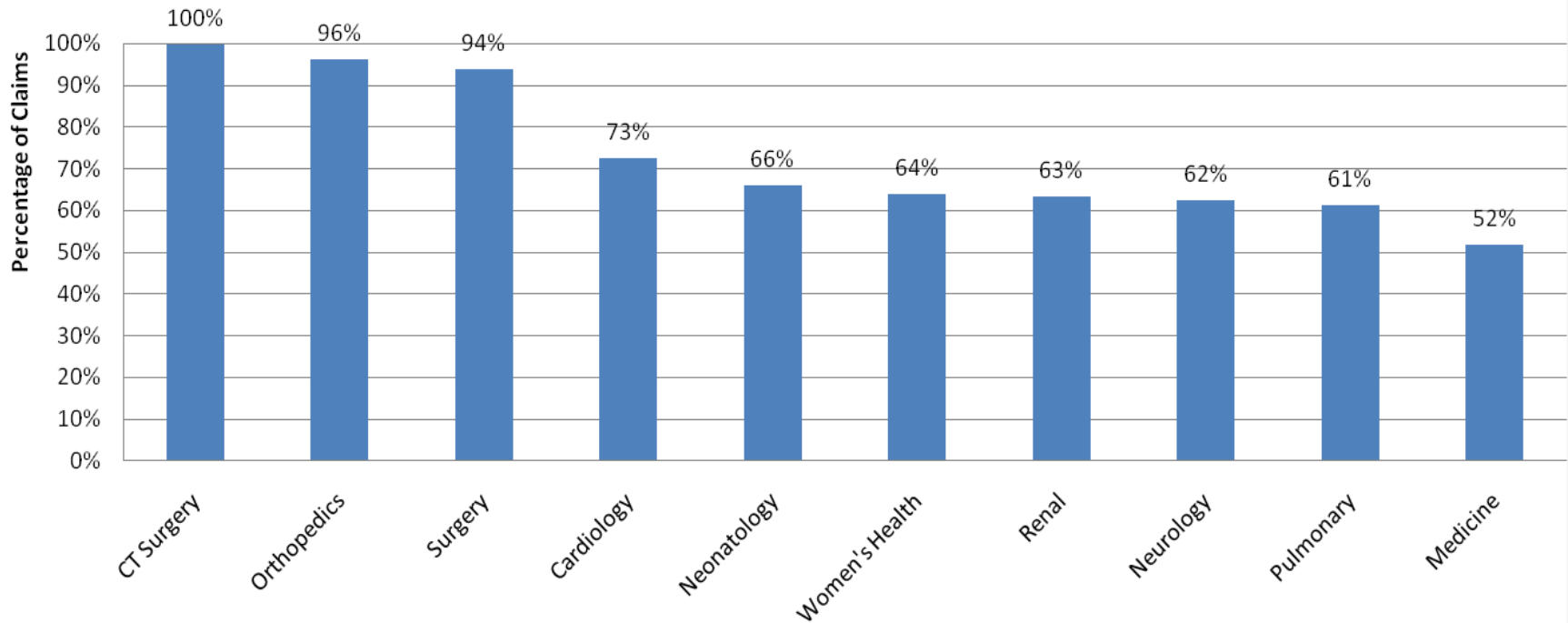
(42k~ discharges)

Type	ICD-9 Codes	Translate to ICD-10 Codes
Diagnosis	364,362	1,534,949
Procedure	74,342	2,939,180

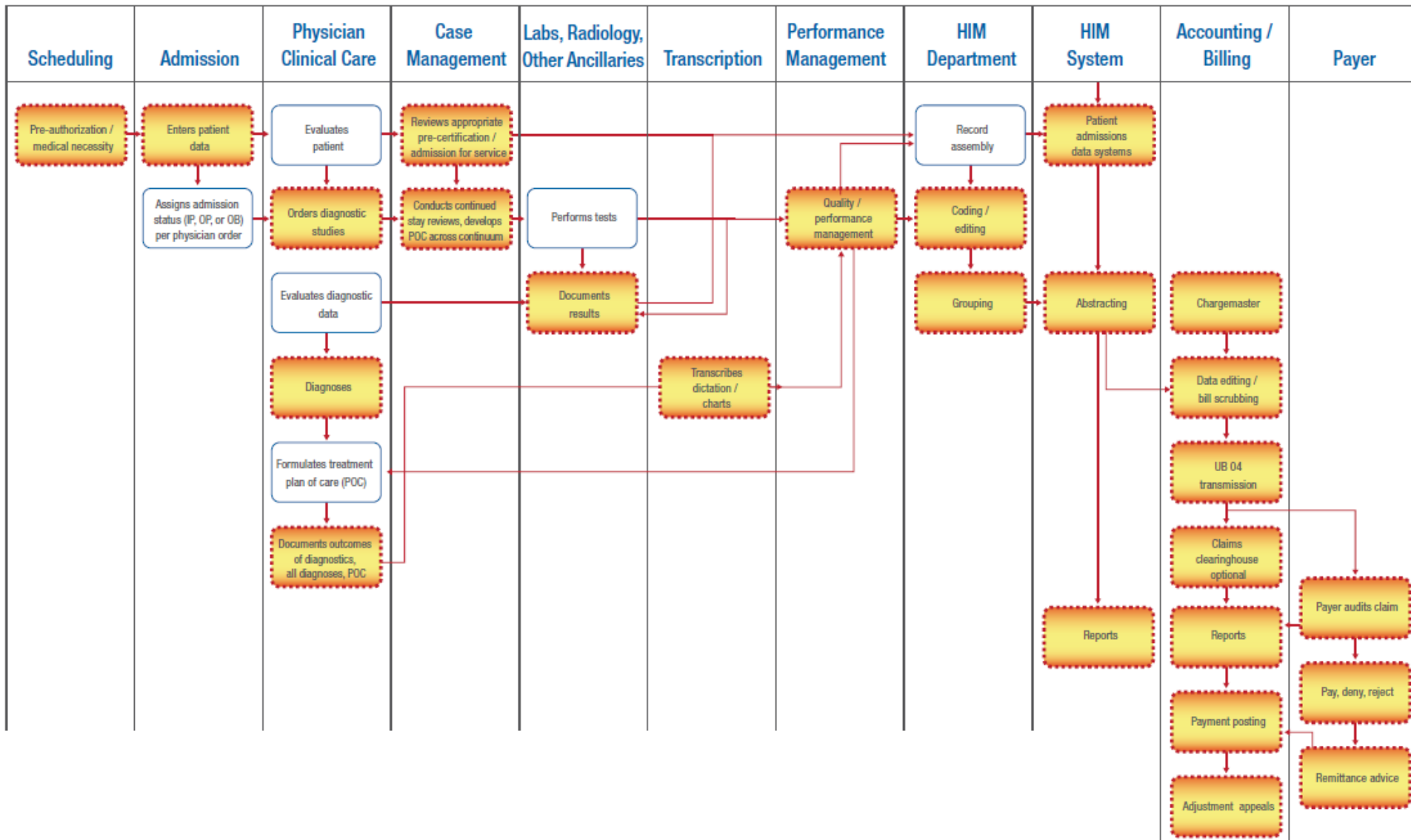
ICD-10 Code Impact on DRG

Type	Percent Discharges
No impact	31%
Diagnosis code impact	41%
Procedure code impact	10%
Both diagnosis and procedure code impact	18%

Percentage of Claims by Specialty Impacted by ICD-10 Translation



Where are we currently using ICD-9 codes?



Implementation Tasks

- **Organization** – Steering, Project Management, Budget
- **Impact** – Processes, Systems, People
- **System Vendors** – Intent and timetable
- **System Upgrades** – 7 digits, A/N
- **Trading Partners** – Testing, Contracts, Coverage, Medical Review, Auditing
- **Staff Training** – Coders and others

Questions

