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An ICD-10 Road Map

<http://www.healthmgttech.com/index.php/news/front-page-feature-story/an-icd-10-road-map.html>



Mark Morsch

Seven experts provide ideas for the successful implementation, including upfront planning and training considered important factors in a successful transition to this coding system.

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The transition from ICD-9 to ICD-10 – mandated to occur by Oct. 1, 2013, for organizations subject to the Health Insurance Portability and Accountability Act (HIPAA) – is expected to improve care-management quality and enhance reimbursement accuracy. The transition, however, is expected to be costly and labor intensive; the Department of Health and Human Services (HHS) estimates the cost to providers alone at \$3 billion through 2017.

The ICD-10 conversion deadline may seem like a long way off (the deadline has already been extended two years), but experts are encouraging healthcare organizations to get started now on this massive change from ICD-9's 16,000 codes to the 155,000 codes included in ICD-10. Those organizations should already be developing awareness programs and assessing their planning and implementation strategies, companies contacted by Health Management Technology say.

Mark Morsch, vice president of natural language processing and new technology at A-Life Medical, San Diego, says planning should be a priority this year. "Form a leadership team to plan timelines and key milestones," he suggests. "ICD-10 transition cannot be planned in isolation by just the coding team or HIM. This transition will affect nearly every part of the healthcare delivery and financing system. Coding and billing systems will require upgrades to handle the new code sets."

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In a recent market research study, the TriZetto Group found that 84 percent of payers plan to make core-system changes to take advantage of new ICD-10 data. The most popular improvements include care management, business intelligence and data analytics.

“Conversion to ICD-10 is more than a coding and claims issue, more than a technology issue and more than a government mandate,” says David MacLeod, vice president of research and development of technology architecture at TriZetto, Newport Beach, Calif. “If planned for properly, transitioning to ICD-10 can be the biggest opportunity in a generation for payers to more-effectively manage care and run an efficient health plan.”



Glen Johnson

Preparing for conversion

Ken Bradley, vice president of strategic planning for Navicare, Duluth, Ga., cites three major concerns over the transition to ICD-10. “The first issue is that many other important matters must be dealt with simultaneously. ICD-10 is competing with the 5010 transition, EMRs, meaningful-use criteria and other large items in terms of education time, cost and resources.”

Bradley’s second concern involves a lack of information from payers regarding their timeframes, testing requirements and pending changes to claims submissions and appeals processes. Finally, he says, providers and payers are up against an aggressive implementation timetable; the transition to ICD-10 is slated for just 22 months after 5010 implementation.

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The size and scope of competing initiatives, such as EHRs and RAC audits, will affect ICD-10 implementation, according to Glen Johnson, vice president of marketing and product development at ClaimTrust, Murfreesboro, Tenn. “Providers are aware of the timeline, but some are not as clear on the impact of ICD-10 on their business processes, technologies and work flows,” he says. “There is also concern on the provider side that a hospital’s payers may not transition at the same time, requiring the hospital to support both ICD-9 and ICD-10 simultaneously.”

Heath Umbach, senior product marketing manager at PatientKeeper, Newton, Mass., says organizations can expect some decreased productivity due to the tremendous impact of ICD-10

conversion. “The new coding system will require technical changes to allow for the expanded format of ICD-10, documentation changes to account for the additional specificity of ICD-10 codes and thorough training that reflects the broad spectrum of individuals who interact with the coding system in very different ways,” he says.

Bill Delaney, executive director of consulting services for MedAptus, Boston, offers four steps for organizations to take: establish an ICD-10 steering committee, develop an ICD-10 strategy, assess ICD-10 readiness and implement a remediation roadmap.

A strategic initiative

Johnson agrees the first step should be to initiate an ICD-10 steering committee, complete with an executive project sponsor. “It is critical that ICD-10 is seen as a strategic initiative within the organization and not just an IT or technology issue,” he explains. “This committee should be tasked with completing a comprehensive assessment to identify all people, processes and technologies affected by the transition.”



Heath Umbach

After the assessment is finished, clear steps should be outlined to complete the transition, Johnson says. “Once the implementation is underway, it will be crucial to thoroughly test the changes and new processes, from scheduling to coding to contract management and through all software products and vendors. Throughout the process, communication to stakeholders and across all departments and organizations involved will be critical.”

"It is critical that ICD-10 is seen as a strategic initiative within the organization and not just an IT or technology issue."

Designate a champion who is primarily responsible for leading the transition within the organization, says Umbach. Depending upon the size of the organization and scope of the transition, this person may need a substantial portion of time assigned to ICD-10.

Also, Umbach suggests establishing a cross-functional team with duties to include: planning, testing and training across functional areas; meeting with software vendors to understand their efforts toward easing the transition; determining how to work with vendor systems to support an automated process whereby charges entered after certain service dates are forced to utilize ICD-10; discussing timelines for upgrading software to new coding systems; reviewing existing

contracts for potential impact on coverage changes; conducting a potential financial-impact assessment of ICD-10 from a reimbursement perspective; reviewing documentation impact; and planning targeted training programs relevant to each functional area.

Morsch is hearing concerns from providers about payer readiness, an increase in denials and delays in payment. “HIM professionals and medical billers are concerned if clinical documentation will have the detail needed to assign more specific ICD-10 codes,” he says. “After the transition, there is a concern about diminished coder productivity, and the ability of all staff members to successfully retrain.”



Deborah Neville

According to Delaney, it is critical to keep in mind the big picture. “As with all change, ICD-10 represents an opportunity to innovate, to turn regulatory compliance into strategic advantage,” he says. “Slow responders will achieve minimal compliance through hurried, cobbled or wrap-around solutions.”

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Identifying who needs training, what education to provide, and when and how to provide it are the early priorities cited by Deborah Neville, director of revenue cycle, coding and compliance, at Elsevier, Atlanta. “Teaching how to assign the codes will take less time than providing education on the fundamentals (up to two years), which is necessary to navigate the coding systems and select the appropriate codes,” she says. “Other issues for hospitals include how to train both experienced and novice staff to ensure coding consistency, and how to find the resources to train on ICD-10 while implementing an electronic health record.”

Neville says other early issues include standardization of terminology, staffing recruitment and retention, and prioritizing external forces driving changes. “Reconciling clinical terminology with coding and classification terminology will take significant effort,” she explains. “If we can’t learn to speak the same language, information for coding, quality measures reporting, patient care and safety, reimbursement, patient acuity and severity, audit appeals and other efforts are all at risk.

“Some hospitals have the false belief that general equivalence mappings (GEM) will replace the need to train coding personnel,” Neville adds. “This is not true. The GEMs can be used to aid in analytics and data processing, but are not meant to replace accurate coding by staff.”

CMS is developing a new MS-DRG system based on ICD-10 codes, relates Neville, and it is reasonable to assume that other third-party payers will follow. “If an appropriate investment is not made in personnel and systems up front,” she says, “the results could be increased compliance and reimbursement risk due to inaccurate claims, improper or inappropriate claims submission, inaccurate or incomplete data for disease management, and poor productivity of staff.”

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No deadline change expected

The U.S. is the only developed country not on ICD-10, says Delaney, and organizations cannot afford to wait any longer to begin the transition.



Bill Delaney

According to Morsch, there is no indication that the deadline will be extended. “We will support our customers in the transition,” he says. “Our products will include both ICD-10 and ICD-9 coding capabilities to assist users in learning the new code sets.”

The ICD-9-CM Coordination and Maintenance Committee is promoting a freeze on ICD-9-CM and ICD-10 changes so that the industry can focus on training without having to implement yearly changes, according to Delaney. “At some point in the future, after the Oct. 2013 deadline, the government will again aggressively monitor coding and reporting,” he adds. “It is much better for a facility to implement appropriate change management up front than to use stopgap measures and pay for the lack of preparation later on.”

ClaimTrust plans on being ready to begin ICD-10 testing at the start of the testing period as defined by CMS, according to Johnson, and all products and services will be ready to support implementation on Oct. 1, 2013. “While ARRA, meaningful use, EHR, HIEs, RAC and other high-profile government initiatives may impact the timeline, we do not anticipate a change at this time and it is in the best interest of all parties to forge ahead with planning, assessment, and implementation on the current schedule,” he says.

Bradley predicts that many payers will be ready for ICD-10, but many will not. Therefore, it will be critical to maintain dual ICD-9 and ICD-10 systems and conversion utilities after Oct. 1, 2013.

The cost of compliance

“According to a recent study, the average cost per provider to implement ICD-10 is estimated at more than \$25,000,” says Delaney. “This includes the cost of training, new claim forms software, business-process improvement, practice management and billing system upgrades. So for a 100-doctor group, they could be looking at nearly \$3 million dollars.”



Ken Bradley

According to Delaney, organizations that spend the necessary time and resources upfront to address regulatory change tend to outperform their competition over time. To that end, he recommends engaging ICD-10 experts to lead organizations through readiness assessment and compliance implementation.

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Neville predicts significant scrutiny of costs, and says hospitals are searching for ways to incorporate ICD-10 expenses into EHR implementation.

The exact cost of transitioning to ICD-10 will be different for each health plan, offers MacLeod, but most industry analysts are projecting costs far above the estimates of payers. “Unfortunately, many payers are separating the implementation of the ANSI x.12 version 5010 transaction formats from the subsequent implementation of ICD-10,” he says. “This bifurcated approach hides the true and complete cost of ICD-10.”

Software vendors should make the transition as seamless as possible within their products, Umbach suggests. Integrations between ICD-9 and other terminology vocabularies should be mapped to ICD-10 to allow client organizations sufficient time for testing of internal systems that rely on vendor systems. Vendor systems should support an automated cut-over process, whereby charges entered after certain service dates are forced to select a new code.

“There are many billing and clinical systems that will be impacted by the hard cut-over date of Oct. 1, 2013, so organizations will want to have enough time to test all impacted systems and workflows,” he says.

Organizations should not assume that they can keep using ICD-9 codes and then just map to ICD-10, Morsch cautions. “ICD-9 to ICD-10 maps are important tools, but they are not a replacement for applying ICD-10 coding guidelines.”



David MacLeod

MacLeod warns that payers cannot afford to miss this opportunity to transform healthcare delivery. “The healthcare industry is at a crossroads, and making the right decisions now will ensure a successful journey into our collective future,” he says. “It is not too late to make the right decisions. Payers that differentiate themselves will survive; those that do not will lose considerable money – while others will not survive.”

For more information:

A-Life Medical, www.rsleads.com/005ht-211

ClaimTrust, www.rsleads.com/005ht-212

Elsevier, www.rsleads.com/005ht-213

MedAptus, www.rsleads.com/005ht-214

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