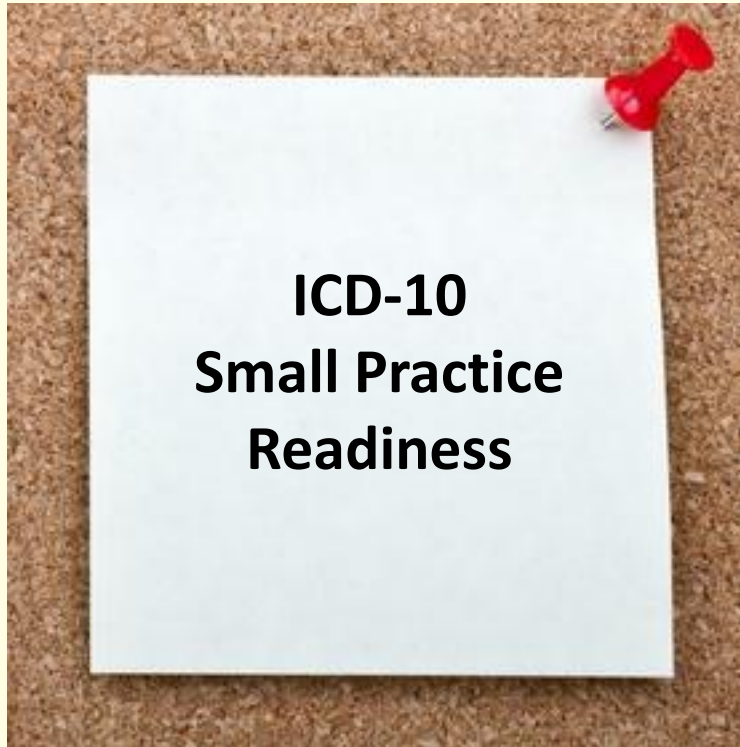


# Welcome to ICD-10 SMALL PRACTICE READINESS



# Topics for Discussion



- **ICD-10 Overview**
  - About ICD-10
  - ICD-9 vs ICD-10
  
- **Readiness**
  - Assessment
  - Implementation
  - Staff Roles/Responsibilities
  - Training
  - Transition
  
- **Benefits & Rewards**
  
- **Resources**
  
- **Contact**

# ICD-10 Overview

- **World Health Organization** developed ICD-10 in 1994
  - Later adopted by Health and Human Services (HHS) and Centers for Disease Control and Prevention (CDC)
  - ICD-10 is a provision of Health Insurance Portability and Accountability Act (HIPAA) regulations
    - HIPAA-covered entities include health care providers, payers, clearinghouses, billing services and others that must transition to ICD-10
  
- **Moving from ICD-9 to ICD-10** - US is the last industrialized nation to adopt ICD-10
  
- **ICD-9 is outdated** - limited capacity, capability, and unable to serve future needs
  
- **ICD-10-CM and ICD-10-PCS code sets**
  - ICD-10-CM replaces ICD-9-CM (Volumes 1 and 2)
  - ICD-10-PCS replaces ICD-9-CM (Volume 3)
  
- **ICD-10 has no direct impact on Current Procedural Terminology (CPT) codes and Healthcare Common Procedure Coding System (HCPCS)**



**Making the  
transition  
to ICD-10 is  
NOT optional**

## Why is the transition necessary?

- **ICD-9** code sets are outdated, limited and not expandable
- **ICD-9** cannot capture advances in medicine and medical technology
- **ICD-10** code sets use current medical terminology and will allow for advances in medical technology and knowledge
- **ICD-10** allows for greater detail in diagnoses and treatments

# About ICD-10

- **For services rendered on or after October 1, 2015**
  - All claims must use ICD-10 codes
  - Claims using ICD-9 codes for services rendered on or after October 1, 2015 will NOT be accepted
  
- **For services rendered before October 1, 2015**
  - All claims must use ICD-9 codes
  
- **Systems must accommodate BOTH ICD-9 and ICD-10 codes**
  - Effective with the October 1, 2015 compliance date
  
- **Significant Code Increase from ICD-9 to ICD-10**
  - Increasing from 14,000 to approximately 69,000 ICD-10-CM codes
  - Increasing from 3,000 to approximately 87,000 ICD-10-PCS codes
  - ICD-10 has more than nine times the codes in ICD-9

# ICD-9-CM vs ICD-10-CM

ICD-9-CM diagnosis codes	ICD-10-CM diagnosis codes
3-5 characters in length	3-7 characters in length
Approximately 14,000 codes	Approximately 69,000 codes
1 <sup>st</sup> Character = alpha or numeric Characters 2-5 = numeric	1 <sup>st</sup> Character = alpha 2 <sup>nd</sup> Character = numeric 3 <sup>rd</sup> Character = alpha or numeric Characters 4-7 = alpha or numeric 7 <sup>th</sup> Character extension = episode of care
Limited space to add new codes	Flexibility to add new codes
Lacks detail	Very specific
Lacks laterality	Allows laterality
Difficult to analyze data and support research	Improved detail
Not interoperable with other industrialized nations who have adopted ICD-10	Interoperable with the global health care community and has been adopted in 99 countries

# ICD-9-CM vs ICD-10-CM

## ICD-9-CM

**725 Polymyalgia Rheumatica**



**714.0 Rheumatoid Arthritis**



## ICD-10-CM

- M35.3A Polymyalgia Rheumatica
- M05.40 Rheumatoid myopathy with RA unspecified site  
M05.41 [1,2,9] Rheumatoid myopathy with RA, shoulder  
M05.42 [1,2,9] Rheumatoid myopathy with RA, elbow  
M05.43 [1,2,9] Rheumatoid myopathy with RA, wrist  
M05.44 [1,2,9] Rheumatoid myopathy with RA, hand
- ...additional codes as well

# ICD-9 vs ICD-10

ICD-9-CM codes	ICD-10-PCS codes
3-4 characters in length	7 alpha-numeric characters in length
Approximately 3,000 codes	Approximately 87,000 available codes
Based on outdated technology	Reflects current usage of medical terminology and devices
Limited space for adding new codes	Flexible for adding new codes
Lacks detail	Very specific
Lacks laterality	Enables laterality
Generic terms for body parts	Detailed descriptions for body parts
Lacks description of methodology and approach for procedures	Provide detailed descriptions of methodology and approach for procedures
Lacks precision to adequately define procedures	Precisely defines procedures with detail regarding body part, approach, any device used, and qualifying information



# ICD-9-CM vs ICD-10-PCS

**On October 1, 2015 ICD-10-PCS will replace ICD-9-CM Volume 3**

## ICD-9-CM

- 3–4 digits
- All digits are numeric
- Decimal is after second digit
- **Examples**
  - 50.11 – Closed (percutaneous) biopsy of liver [needle]



## ICD-10-PCS

- 7 digits
- Each digit is either alpha or numeric
- **Examples**
  - 0FB03ZX – Excision of liver, percutaneous approach, diagnostic

# Assessment



Think about your business partners, your staff and areas of your office that will be impacted by ICD-10. Conducting a thorough assessment of your office is crucial.

## Have You...

- **Conducted an assessment of the areas that will be impacted?**
  - Technology
  - Operations
  - Staff
  - Administration
  
- **Determined the current use of ICD-9 and composed a list of staff members who need ICD-10 resources and training?**
  
- **Evaluated the effect of ICD-10 on other planned or on-going projects?**
  
- **Upgraded IT Systems?**
  - For example: EHR, Billing and Practice Management Systems
  - Systems must accommodate ICD-9 and ICD-10 codes

# Assessment Checklist

## Where are you in the assessment phase?

- Have you assigned an ICD-10 Project Lead in your practice? ICD-10 Team?
- Have you developed your ICD-9 list and reviewed it to help assess how and where you need to make changes to be ready for ICD-10?
- Have you assessed ICD-10's impact on your entire practice?
- Have you analyzed your office's usage of all relevant billing codes?
- Is there an internal and external communications process in place?
- Have you factored in all hard and soft costs, plus timelines, needed for implementation?
- Is your staff, especially your in-house or external billers and coders, trained in ICD-10 and its specificity?
- When will the upgrades to your processes and systems be completed?

# Implementation

## Have you...

- **Established Project Management Structure/Governance?**
  - Assigned ICD-10 Project Lead and Team
  - Defined key roles, responsibilities
  - Developed the ICD-10 Project Plan (Business Processes, Systems, Budgets, Training, Testing, Timelines)
  - Updated internal policies impacted by ICD-10
  
- **Created a Communications Plan?**
  - Identified external partners, payers, messages and outreach tools
  - Identified internal communication procedures and outreach tools for staff
  
- **Established a Risk Management Plan?**
  - Identified and categorized risks of potential impact to implementation and business
  - Developed timely mitigation strategies

# Implementation

## Have you...

- **Developed and begun implementing the communications plan?**
  - Informed internal staff using ongoing communications and reminders
  - Executed and maintained external communications with trading partners, payers
  - Communicated accomplishments and setbacks related to ICD-10
  
- **Developed and begun implementing a training plan?**
  - Live classroom or one-on-one; online, on-demand
  - Toolkits and other electronic resources from CMS, medical trade associations and vendors
  
- **Met with staff to further define ICD-10 impact and responsibilities?**
  - Defined ICD-10 impact on your day-to-day roles, responsibilities
  - Defined ICD-10 impact on current processing systems
  
- **Identified system migration, training and testing strategies?**
  - Implemented business and technology modifications
  - Prepared and begun your training
  - Mapped out your internal and external testing plans



# Implementation Checklist

## Where are you in the implementation phase?

- Have you become ICD-10 knowledgeable? Do you know the structure, organization, and unique features of ICD-10-CM (all provider types) and ICD-10-PCS (inpatient hospital claims)?
- Does your implementation strategy include an assessment of the impact on your organization, a detailed timeline, budget, resources, and task owners?
- Have you connected with both existing and new vendors (including clearinghouses) to ensure they are meeting the functional needs of your ICD-10 implementation? (Analyzing interfaces, dependencies, etc.)
- Do you understand how your system software and business processes will be impacted by ICD-10 (and 5010, if not already implemented)?
- Are your systems ready, or almost ready for testing?
- Have you used assessment tools to identify areas of strength/weakness in medical terminology and medical record documentation needed in your organization?
- Have you used a variety of code mapping/crosswalking tools to help you identify the correct ICD-10 codes?

# Examples of Staff Roles and Responsibilities

## ■ Reception/Front Desk Personnel

- Implement new forms and be aware of operational changes related to ICD-10

## ■ Clinical Area/Nurses' Station Personnel

- Administer new policies, new forms and new superbills
- Increase coding specificity knowledge and input from physicians for documentation

## ■ Lab, Imaging Center Personnel

- Process new superbills
- Increase coding specificity to complete orders correctly

## ■ Coding/Billing Office Personnel

- Understand and implement health plan/payer policies and procedures
- Acquire training in ICD-10 coding
- Increase knowledge of anatomy and medical terminology as required

## ■ Practice Manager's Office Personnel

- Review and update office policies and procedures tied to diagnosis or procedure codes
- Evaluate and amend all vendor and payer contracts as applicable
- Prepare budgets for all ICD-10 related changes (software, training, new forms, etc.)
- Develop and implement an ICD-10 training plan for all staff members



- **Physician - Provider Training**
  - Assess your documentation skills
  - Develop training timeline
  - Determine and acquire ideal ICD-10 learning tools for yourself
  
- **Coder Training**
  - Physician practice coders should learn ICD-10 diagnosis coding only
  - Hospital coders should learn both ICD-10-CM (diagnosis) and ICD-10-PCS (inpatient procedure) coding
  
- **Staff Training**
  - Consider cost and resources
  - Define who needs training and why
  - Identify which learning and training environments are available, best for your staff



# Transition

## Have you...

- Determined the anticipated effect of coding accuracy during the transition and how long it will take for coding staff to achieve a level of proficiency in ICD-10 comparable to that with ICD-9?
- Identified potential problems and implemented strategies aimed at reducing the potential negative effects?
- Identified major areas of change between ICD-9 and ICD-10 that impact data comparison and reporting for both internally and externally reported data?
- Set up a system to monitor reimbursements and what action to take if cash flows are delayed?
- Determined whether ICD-10 support is included in installed software or whether a future update is necessary to support ICD-10? Are any costs involved with the support or updates?
- Developed a process to quickly identify ICD-10-related denials and appeal them in a comprehensive, timely and fact-driven way?
- Considered hiring a clearinghouse, billing service, clinical documentation specialist or other outside resource to help with the transition?

## Important Reminders

- While clearinghouses can help, they cannot provide the same level of support for the ICD-10 transition as they did for the Version 5010 upgrade. (5010 was IT-driven only; ICD-10 is both business process and IT-driven)
- ICD-10 codes describe a medical diagnosis or procedure and must be selected by the provider and not the clearinghouse, coder or biller.
- Expect audits to focus on clinical documentation to determine if it supports the specificity of ICD-10 codes.
- Keep in mind that covered entities are not to use the ICD-10 code in production (outside of a testing environment) prior to October 1, 2015.

## CMS Recommends

- Regular documentation audits after ICD-10 implementation to make sure your clinical documentation supports your ICD-10 coding.

# Benefits of ICD-10

- **ICD-10 will play a critical role in aligning the definitions of services and care rendered.**
- **ICD-10 will help identify fraud and abuse.**
  - More effective detection and investigation of potential fraud or abuse and proof of intentional fraud.
  - Modify edits to support correct coding with greater specificity to help prevent fraud and abuse.
- **ICD-10 is easier and more flexible for future updates.**
- **ICD-10 enhances coding accuracy and specificity to classify anatomic site, etiology, and severity.**
- **ICD-10 provides better analyses for disease patterns and response to public health outbreaks.**

# Rewards of Compliance with ICD-10

- Continued cash flows with claims processed and paid
- Financial statement stability, credit worthiness
- Increased efficiencies in administrative, billing and reimbursement processes
- Reduced coding errors due to increased specificity
- Improvement in patient care management
- Improved health care IT system, return on investment and increased productivity
- Increased capability to prevent and detect health care fraud and abuse



Compliance

# ICD-10 Resources



American Academy  
of Pediatrics



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# ICD-10 Resources

## Centers for Medicare & Medicaid Services (CMS)

- **CMS ICD-10 Main Page**

<http://www.cms.gov/ICD10>

- **CMS Overview**

[http://www.cms.gov/Medicare/Coding/ICD10/Statute\\_Regulations.html](http://www.cms.gov/Medicare/Coding/ICD10/Statute_Regulations.html)

- **CMS ICD-10 Implementation Planning**

<http://www.cms.gov/Medicare/Coding/ICD10/ProviderResources.html>

- **HHS, CMS ICD-10 Final Rule and October 1, 2015 Compliance Date Announcement**

<http://edocket.access.gpo.gov/2009/pdf/E9-743.pdf>

<http://www.gpo.gov/fdsys/pkg/FR-2014-08-04/pdf/2014-18347.pdf>

## World Health Organization (WHO) ICD-10 Page

<http://www.who.int/classifications/icd/en/>

## West Virginia Resources

- **WV Molina Medicaid Solutions ICD-10 Transition Website**

<https://www.wvmmis.com/SitePages/ICD-10%20Transition.aspx>

## **Molina Provider Relations Unit**

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