



Transitioning to ICD-10

Ready for October 1, 2014?

Time and tide wait for no man.

Ready or not, ICD-10 is coming. Will you be ready? *We will.*

The Georgia Department of Community Health (DCH) and Georgia Medicaid are here to assist you to get ready, set and go-live with ICD-10. Starting here...starting now.

While this brochure is intended to serve as an overview on making the transition to ICD-10, we encourage you to visit the Centers for Medicare and Medicaid Services (CMS) website at www.cms.gov/icd10 for more information. This Q and A should help you get started.

What is ICD-10? It's the new system for delineating medical diagnoses and procedures for care management and billing purposes.

What happens to ICD-9? The U.S. Department of Health and Human Services (HHS) currently uses the World Health Organization's International Classification of Diseases, Ninth Edition (ICD-9). The Tenth Edition, ICD-10, replaces ICD-9 on October 1, 2014.

Why is the ICD-10 transition necessary? HHS has mandated that ICD-9 is outdated and does not support today's health care arena. ICD-9 contains limited coding information and many categories are "full." ICD-9 is three volumes containing about 16,000 codes. ICD-10 is expandable and will have more than 141,000 codes in its first annual release.

Who is required to make the transition to ICD-10? All HIPAA-covered entities – Providers, Payers and Vendors and their business associates – must transition to ICD-10 regardless of their acceptance of Medicaid or Medicare.

Who is driving this change? This change is a provision of the Health Insurance Portability and Accountability Act (HIPAA), as regulated by the U.S. Department of Health and Human Services (HHS), Centers for Medicare and Medicaid Services (CMS). This federal mandate pertains to all HIPAA-covered entities.



Neither does ICD-10.

What if we don't make the change? For HIPAA-covered entities, transition to ICD-10 is not an option. Without ICD-10, providers will experience delayed payments or even non-payments; increased rejected, denied or pending claims; reduced cash flows and ultimately lost revenues.

ICD-10 Fast Facts

- Transitioning to ICD-10 applies to all HIPAA-covered entities
- ICD-10 is replacing the three volumes of ICD-9 codes
- ICD-10-CM is for diagnosis coding
- ICD-10-PCS is for inpatient procedure coding
- ICD-10-CM/PCS will contain more than 141,000 codes
- ICD-10 is a federal mandate
- ICD-10 is vital to transforming our nation's health care system
- Transitioning to ICD-10 is not optional
- ICD-10 will go live on October 1, 2014
- Provider claims not submitted using ICD-10 codes will be pended, denied or rejected
- Payments to providers cannot be made without the proper ICD-10 coding

■ Ready for ICD-10?

HIPAA-covered “entities” are defined as hospitals, health care practitioners and institutions, health insurers and other third-party payers, electronic-transaction clearinghouses, billing and practice-management service providers, health care administrative and oversight agencies, public and private health care research institutions, hardware and software manufacturers and vendors.

Please visit the CMS website at www.cms.gov/icd10 for informative materials that will assist Providers, Payers and Vendors in making a successful transition.

What is the key benefit of this mandated transition? ICD-10 is vital to transforming our nation’s health care system. As medical science evolves, so will ICD-10. Its robust coding infrastructure contains valuable information to help providers increase case management and care coordination effectiveness.

As a provider, how will our practice be affected by this change?

Two key areas of your business will need to be addressed: your business processes and your IT systems.

How much time and money should we allocate to transition?

That will vary for each organization. Check out the ICD-10 Implementation Guides for timing and process information on the CMS website (www.cms.gov/ICD10). To get an idea of cost, take a look at the ICD-10 Implementation Cost Prediction Modeling Tool found on the HIMSS website (www.himss.org).

What implementation milestones must we address? For starters, you’ll need Project Management, then plans for Assessment, Implementation (Operational), Testing and Transition. Plans will vary based on organization type and size. Also, be mindful of your “need to know” with internal staff communications and external communications with your business associates.

What is involved in planning? Consider the following: Ensure leadership buy-in on the breadth and significance of the ICD-10 change; Assign overall responsibility and decision-making authority; Plan a



comprehensive and realistic budget; Ensure involvement and commitment of all internal and external stakeholders and others to determine their plans for the transition; Adhere to a well-defined timeline that makes sense for your business.

What is the role of the Project Manager (PM)? With leadership support, this individual (often the Practice Manager) takes the lead on all implementation milestones, working internally and with vendors and third parties to anticipate implementation issues and risks...developing strategies to streamline the ICD-10 implementation.

What do we need to assess in our practice? Affected areas across a provider's practice are business processes and information technology system functions, including everything from patient intake to hospital encounters, physician orders, medical records and data analytics. Also includes: financial operations, compliance management, risk management, contracting with payers and billing firms, clearinghouses and more.

■ Set for ICD-10?

How do we go about remediating our systems? Start here with these seven steps, then visit the CMS website (www.cms.gov/ICD-10) for a more detailed "how to" guide.

1. Create an inventory of all existing and possible vendors and tools including contact information, a description and their underlying logic/operating system.
2. Establish a tracking system to monitor key questions and concerns with the vendors.
3. Identify "Plan B" options in case your vendor does not move quickly to address your timeline, technical solutions and operational work-arounds.
4. Review contracts with existing vendors and factor in key requirements with new vendors.
5. Analyze interfaces or dependencies between systems to ensure that you have interoperability to avoid cross-system failures.
6. Define acceptance criteria to measure vendor performance.
7. Ensure that vendor capabilities meet your organization's expectations with features, functionality, system performance requirements, upgrades, error remediation and new feature response requirements, support requirements and remedies in the event of failure.

After completing an assessment, how do we begin to implement ICD-10? Briefly, you'll include the methodology for mapping your ICD-9 codes to ICD-10 codes...and the reverse. You will work with vendors, including the coordination of internal policies and processes (for clinical, financial, actuarial and reporting functions) affected by ICD-10; finalize information technology system/technical requirements; identify test data requirements; update approved code design to remediate your system; coordinate and conduct testing with partners based on remediated system.

What else do we need to do to prepare for ICD-10? Identify available resources, assess training needs, build a training plan and manage productivity during the transition process. *Remember to allow ample time for training which should include webinars, certification courses and medical community courses.*

■ Go-live with ICD-10!

Why is testing necessary? System testing – which is critical to a successful implementation of ICD-10 – proves that a system or process meets the requirements and produces consistent and correct results. Several different types of testing will be required to ensure ICD-10 compliance across internal policies, processes and systems as well as with external trading partners and vendors including your payers, hospitals, health information exchanges, outsourced billing or coding services and government entities.

What happens during transition? This is the opportunity for you to monitor the impact of ICD-10 on your business operations and finances. Here you identify problem areas and move to address them quickly because they could affect your cash flow. During transition, you'll look at coding productivity and accuracy, go-live production problems, impact of changes in potential reimbursements, contract staffing and training needs and contingency planning.

What happens after the transition to ICD-10? Vendors should monitor ICD-10 implementation and assist in troubleshooting and promptly resolving post-implementation issues. Providers should review processes to confirm their effectiveness and sustainability regarding clinical documentation changes, coding practices and processes, revenue cycle processes and changes, and any other organizational changes made during the transition.



Here's your transition checklist:

1. Go-Live Communication - Outline how to report an issue once the system goes live.
2. Vendor Confirmation - Identify and resolve issues as early as possible.
3. Test Baseline - Establish a test baseline for ICD-10 data to evaluate changes across financial areas like reimbursement, rate setting and contracting.
4. Financial Targets - Identify goals for days not billed, claims delayed and claims denied.
5. Productivity Declines - Identify process to track financials/budget, performance across staff and systems, establish incentives to keep morale and productivity high, evaluate staff for retraining and additional communications.
6. Quality Assessment - Continue to assess document quality and develop and monitor improvement strategies as needed.

Pique your interest? Get started by visiting the CMS website at www.cms.gov/ICD10 and the DCH website at www.dch.georgia.gov.

Join our mailing list ...AskDCH@dch.ga.gov ...to stay posted on the latest ICD-10 news and information about workshops, webinars, readiness guides and more.



Readiness Resources

- Centers for Medicare & Medicaid Services (CMS) Website Educational Resources for Providers, Payers and Vendors www.cms.gov/icd10
- Healthcare Information & Management Systems Society (HIMSS) ICD-10 Cost Prediction Modeling Tool www.himss.org/icd10
- HIMSS ICD-10 Playbook www.himss.org/icd10
- American Medical Association (AMA) Educational Resources www.ama-assn.org
- American Academy of Professional Coders (AAPC) ICD-10 Code Translator www.aapc.com
- Workgroup for Electronic Data Interchange (WEDI) Vendor Resource Directory and Other Resources www.wedi.org



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ICD-10

Official CMS Industry Resources for the ICD-10 Transition
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