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Professional Coders



ICD-10-CM Implementation Part I

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Goal

- ▶ This Webinar conference series will assist in determining the impact ICD-10 will have to physicians and other health care providers and provide a timeline of essential activities for successful implementation.
- ▶ Implementation Webinar #1-Introduction and Steps 1-3
- ▶ Implementation Webinar #2-Step 4-9
- ▶ Implementation Webinar #3-Steps 10-16 and Conclusion
- ▶ **It's not to soon to prepare for ICD-10!!**

Outline-Why, What, How

- ▶ Diagnosis and Procedure Coding
- ▶ ICD-10-CM and ICD-10-PCS
- ▶ 5010 Prerequisite
- ▶ ICD-10 implementation activities and timeline for compliance

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ICD-10 Final Rule CMS-0013-F

- ▶ Published January 16, 2009
- ▶ October 1, 2013 – Compliance date for implementation of ICD-10-CM and ICD-10-PCS (no delays)
- ▶ No impact on Current Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) codes

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



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ICD-10 Final Rule Issues

- ▶ Single implementation date for all users
 - ▶ Date of service for ambulatory and physician reporting
 - ▶ Date of discharge for inpatient settings
- ▶ ICD-9-CM codes will not be accepted for services provided on or after October 1, 2013
- ▶ ICD-9-CM claims for services prior to implementation date will continue to flow through systems for a period of time
- ▶ 4010 electronic transaction standard to 5010 – January 1, 2012

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Version 5010

- New version of the HIPAA standards - Version 5010 includes:
 - Structural
 - front matter
 - Technical
 - data content improvements
 - The updated version is more specific in requiring the data that is needed, collected, and transmitted in a transaction its adoption will reduce ambiguities
 - Version 5010 addresses currently unmet business needs, including, for example, providing on institutional claims an indicator for conditions that were “present on admission.”
 - Version 5010 also accommodates the use of the ICD-10 code sets, which are not supported by Version 4010/4010A1.

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What Does 5010 Bring?

- Clarity and consistency in front matter
- Clarity in situational elements to minimize need for companion guides
- Changes in some segments and data elements to better represent business processes
 - Example – change in use of subscriber loop in claims
- Enables use of ICD-10
- Claims
 - Enables use of POA indicator
 - Separates diagnosis code reporting
 - Clarifies use of NPI
 - Required minutes for anesthesia as opposed to units or minutes
 - Provides greater consistency between dental and professional claims

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What Does 5010 Bring?

- Remittance advice
 - Clarifies rules for use
 - Improves balancing
 - Can be used with 4010 claims
 - Includes medical policy segment
- Eligibility inquiry/response
 - Adds additional benefit categories and service type codes (CORE recommendations)
 - Clarifies dependent and subscriber relationships



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HIPAA ICD-10 / ANSI 5010 Overview

Today: 4010

Current HIPAA Standard Procedure and Diagnosis Codes Electronic Transaction Version
Not capable of handling ICD-10

Today: ICD-9

ICD-9-CM (Diagnosis)
5 digits
(e.g. 821.01 – Closed Fracture of shaft of femur)
~14,000+ unique codes

ICD-9-CM (Procedure)
3-5 digits
(e.g. 47.01 – Laparoscopic appendectomy)
~3,000 unique codes

Tomorrow: 5010

Allows for ICD-10 Procedure and Diagnosis Codes in HIPAA Standard Electronic Transactions

Tomorrow: ICD-10

ICD-10-CM (Diagnosis)
6 alphanumeric with qualifier
(e.g. S72.344 – Displaced spiral fracture of shaft of right femur)
~68,000+ unique codes

ICD-10 PCS (Procedure)
7 alphanumeric
(e.g. ODTJ4ZZ – Laparoscopic appendectomy)
~87,000 unique codes



Use of Clinical Coding Data

- ▶ Benchmarking and quality management--to improve the quality and effectiveness of patient care
- ▶ Decision-making (clinical, financial, funding, expansion, education)
- ▶ Healthcare policy and public health tracking
- ▶ Reimbursement
- ▶ Research



Why Make the Changes?

- ▶ Modernize Terminology
- ▶ Increased information for public health, surveillance, quality measurement
- ▶ ICD-9-CM running out of codes
- ▶ Diagnoses and procedure codes impact virtually every system and business process in plan and provider organizations, with significant impacts on billing and reimbursement



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Provider Impacts

- Documentation of diagnoses and procedures
- Codes must be supported by medical documentation
 - ICD-10-CM codes are more specific
 - Revenue Impacts of specificity
 - Denials
 - Additional Documentation



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Provider Impacts

- ▶ Coverage and payment
 - ▶ New coding system will mean new coverage policies, new medical review edits, new reimbursement schedules
 - ▶ Changes will be made to accommodate increase specificity
 - ▶ May need to discuss changes with patients
- ▶ Contracts with plans
 - ▶ Coding more specific and includes severity
 - ▶ Renegotiations will be based on new coding, coverage, and reimbursement
 - ▶ Difficult to measure what the changes will mean to overall reimbursement



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Provider Impacts

- ▶ Billing and eligibility transactions
 - ▶ Updated transactions include support for ICD-10
 - ▶ New codes mean more specificity
 - ▶ How smooth the transition?
 - ▶ Expect increased reject, denials, and pended claims as both plans and providers get used to new codes
- ▶ Laboratory orders
 - ▶ Will need specific ICD-10-CM codes for laboratory orders
 - ▶ Expect coverage changes
 - ▶ Need to support the tests ordered



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Health Plan Impacts

- ▶ Contracting with providers and employers
- ▶ Coverage determinations
- ▶ Payment determinations
- ▶ Medical review policies
- ▶ Plan structures
- ▶ Statistical reporting
- ▶ Actuarial projections
- ▶ Fraud and abuse monitoring
- ▶ Quality measurements

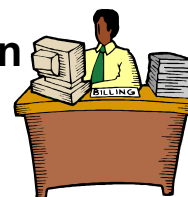


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Concerns for Billing and Collection

- ▶ Patient/Provider/Plan Confusion
 - ▶ Increase in denials?
 - ▶ Patient misunderstanding of changes in coverage
 - ▶ Provider questions
- ▶ Older debt versus newer services
 - ▶ Using ICD-9 codes versus ICD-10 for rebilling
- ▶ Privacy concerns
 - ▶ New codes contain significantly more detail, how much can be shared



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Impacts of Other Changes



- ▶ High Deductible Health Plans
 - ▶ Major increases in patient responsibility
 - ▶ No requirement to spend HSA money on medical expense
- ▶ Real Time Adjudication
 - ▶ A near instantaneous response to a provider claims
 - ▶ Know patient responsibility immediately
 - ▶ Less bad debt?

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ICD- What is It?

- ▶ Acronym -International **C**lassification of **D**isease
- ▶ ICD is a standard used throughout the world for:
 - Used to classify causes of mortality (death records)
 - Used for morbidity statistics
 - Records and surveys
 - Health care claims
 - Basis for prospective payment



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ICD- What Is It?

- ▶ Diagnosis Codes are used to:
 - ▶ Identify symptoms, conditions, problems, complaints or other reasons for the medical service or procedure being provided.
 - ▶ Translates written information in the patient's chart into a form that can be submitted electronically for reimbursement

Diabetes Mellitus=250.xx

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Why Does ICD- 9 CM Need to Be Replaced?

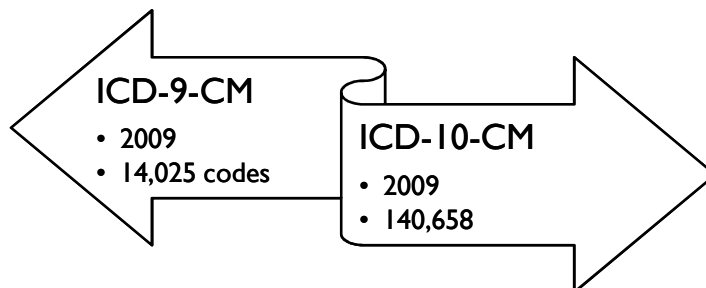
- ▶ 30 years old
- ▶ Terminology and classification of some conditions are outdated and obsolete
 - ▶ Outdated codes produce inaccurate and limited data
 - ▶ Increasing lack of specificity
 - ▶ Anticipate benefits of the Electronic Health Record (HER) can not be achieved without changing to ICD-10 CM
 - ▶ Comparison with international data is hindered

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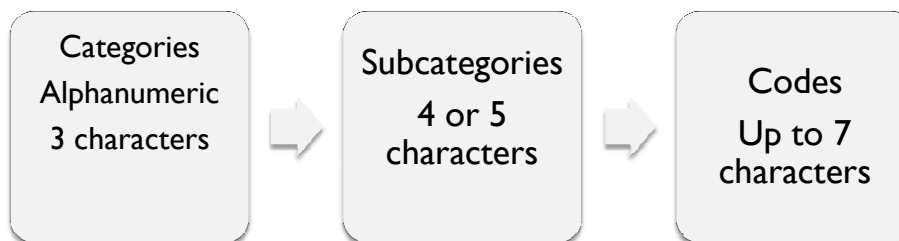
ICD-10 Changes

- From 14,025 codes to approximately 140,658 codes
- All codes have full descriptions for both ICD-10-CM and ICD-10-PCS



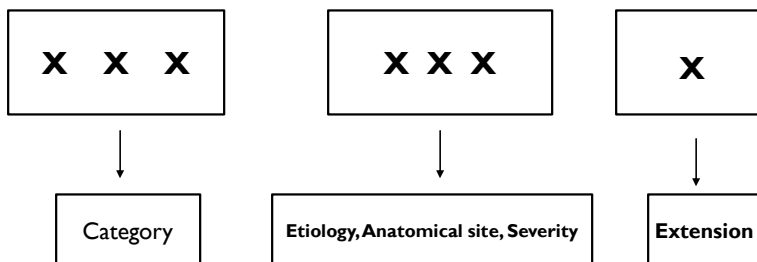
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Format and Structure



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ICD-10 CM Format



Code Set Comparison: Diagnosis Codes

- | ICD-9-CM Diagnosis Codes | ICD-10-CM Diagnosis Codes |
|--|---|
| <ul style="list-style-type: none"> ▶ 3-5 characters in length ▶ Approximately 14,025 codes ▶ First digit may be alpha (E or V) or numeric. Digits 2-5 are numeric ▶ Limited space for new codes ▶ Lacks detail ▶ Lacks laterality ▶ Difficult to analyze data due to non-specific codes ▶ Codes are non-specific and do not adequately define diagnoses needed for medical research ▶ Does not support interoperability because it is not used in other countries | <ul style="list-style-type: none"> ▶ 3-7 characters in length ▶ Approximately 68,069 codes ▶ Digit 1 is alpha; digit 2 and 3 are numeric; digit 4-7 are alpha or numeric ▶ Flexible for adding new codes ▶ Very specific ▶ Has laterality ▶ Specificity improves coding accuracy and depth of data for analysis ▶ Detail improves the accuracy of data used in medical research ▶ Supports interoperability and the exchange of health care data between other countries and the United States |



ICD-10-CM Facts

▶ Benefits of ICD-10-CM

- ▶ Better profiling due to the specificity of data collected
- ▶ Improved clinical information for research
- ▶ Clearer code choices
- ▶ Clearer reimbursement guidelines
- ▶ Ultimately less denials

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ICD-10-CM Fiction

- ▶ Physician's will need to change how they practice medicine
 - ▶ They will need to document more which will increase time spend on each patient
 - ▶ Every physician should currently document complete and accurate information to support specificity in his/her coding
- ▶ Physicians and coders need to start learning the new code set now
- ▶ They must implement an Electronic Medical Record with ICD-10-CM
- ▶ They must hire additional staff to handle the workload

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Coding and Documentation

- ▶ Issues related to inconsistent, missing, conflicting, or unclear documentation must still be resolved by the provider—both today under ICD-9-CM, as well as in the future with ICD-10-CM
- ▶ If providers are not documenting concisely for reimbursement today
 - ▶ They are putting themselves at unnecessary risk for not supporting medical necessity



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Why Fix It?”

- ▶ There will be some significant challenges for all
 - ▶ From the perspective of most physicians, the system does not appear broken
 - ▶ If it's not broken, why fix it?
- ▶ It's about engaging physicians as successful partners in making the transition to ICD-10-CM
- ▶ Helping physicians to understand what steps need to be taken for successful implementation

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What Generated “The Push Back”?

- ▶ Perceptions regarding impact on practice management
 - ▶ General office staff lack sufficient expertise
- ▶ Costly investment in new infrastructure
 - ▶ New information technology tools required
 - ▶ New billing and collection systems required
 - ▶ Limited resources for staff training
- ▶ Impact on reimbursement
 - ▶ Decreased short-term coding accuracy and productivity
- ▶ Physician practice changes
 - ▶ Greater medical record documentation to support more detailed codes

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We Have No Choice—We Must Transition

- ▶ Rather than find reasons to oppose it
 - ▶ How do we make the transition happen for physicians
- ▶ “Looking toward the future, the American Academy of Professional Coders (AAPC) is committed to providing you with the tools you need to prepare for this *exciting* change”

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Bring Physicians Along The Journey

- ▶ Provide evidence that simplifies the process
- ▶ Work with organized medicine to deliver the message
- ▶ Partner with key professions that can help facilitate training
- ▶ Leverage existing relationships between coding professionals and physicians

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The Task Is Not As Huge As It Appears

- ▶ Although the coding book is huge, most physician practice uses only a small subset
- ▶ Work with physicians to develop crosswalks between ICD-9 and ICD-10 codes they use
- ▶ Begin discussions now to reduce anxiety but train later
 - ▶ Actual training needs to be “just in time”
- ▶ Training should have both a general focus and then a practice-specific focus
- ▶ Begin the implementation process NOW!

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Words of Wisdom

- ▶ “The secret of getting ahead is getting started.”

Mark Twain



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Implementation Steps

1. Step 1: Organize the Implementation Effort
2. Step 2: Develop Communication Plan
3. Step 3: Conduct Impact Analysis
4. Step 4: Organize Cross Functional Efforts-**Medium to large Medical Practices**
5. Step 5: Estimate Budget
6. Step 6: Internal System Design and Development-**Medium to large Medical Practices**
7. Step 7: Development of the Training Plan

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Implementation Steps

1. Step 8: Contact System Vendors
2. Step 9: Implementation Planning
3. Step 10: Phase I Training
4. Step 11: Business Process Analysis
5. Step 12: Education and Training, Phase II
6. Step 13: Policy Change Development
7. Step 14: Outcomes Measurement
8. Step 15: Deployment of Code by Vendors to Customers
9. Step 16: Go Live—Implementation Compliance

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Implementation Steps Covered in This Session

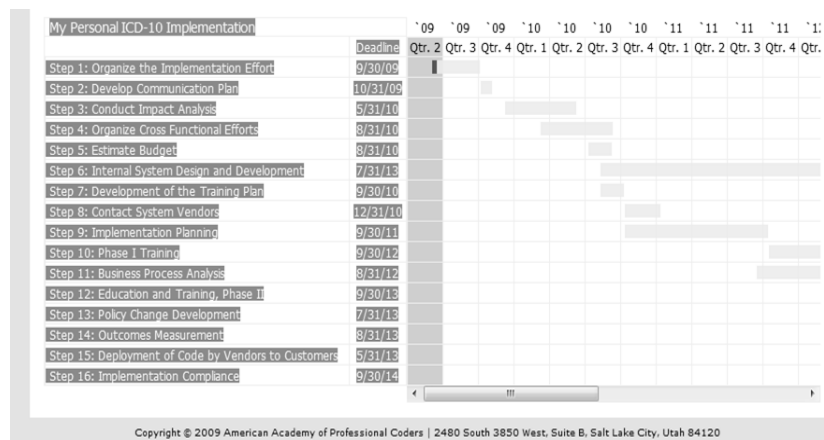
1. Step 1: Organize the Implementation Effort
2. Step 2: Develop Communication Plan
3. Step 3: Conduct Impact Analysis



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AAPC Website



Using the ICD-10 Personal Tracker

- ▶ Must be an AAPC Member
 - ▶ Log into your member area
 - ▶ Choose the ICD-10 track that best fits you. This can be changed later, if needed, by clicking on the change link. Please be sure to save any changes.
- 1. After saving your ICD-10 track, you will see a list of steps for the track. By clicking on a step you will be taken to a check list of actions.
- 2. After completing one of the actions, select the checkbox and save your progress. You will be taken back to the list of steps for the track.
- 3. If one of the actions is not applicable, please select the checkbox and save. This tells the system that you have acknowledged the action and do not need to do any further action.



ICD-10 Personal Tracker

4. The yellow lines by the track steps will start turning to green as the actions are checked off.
5. Steps have end dates if one to two of these step end dates pass without all of the actions being checked off, then the progress light will turn amber warning you.
6. If more than two of the step end dates pass without all of the actions begin checked off, then the progress light will turn red warning you.

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Objectives for Implementation

- ▶ Identify the activities providers will need to do to implement ICD-10
- ▶ Identify the sequencing and overlapping of activities
- ▶ Identify the expected timeframe to complete the activities



Special Considerations for Provider Timeline

- ▶ “Providers” come in all shapes and sizes
 - ▶ Need to consider the range from the solo practitioner to the large health systems
- ▶ Resources vary widely among provider organizations



Preparation for ICD-10-CM

- ▶ Every provider whether small or large needs to begin planning for ICD-10 now
- ▶ The Implementation timeline for providers is broken down into four categories:
 - ▶ 1. Very small practice (1-3 providers)
 - ▶ 2. Small Practice (4-10 providers)
 - ▶ 3. Medium Practice (11-49 providers)
 - ▶ 4. Large Practice (59+ providers)
- ▶ The implementation plan estimates the providers will begin working on ICD-10-CM implementation now



Implementation Benchmarks Very Small to Small Practice

- ▶ **Step 1: Organize the Implementation Effort**
(This is the organizing of the project, team and resources to complete the project.)
 - ▶ Identify a point person to take responsibility for implementation
 - ▶ Review the ICD-10 final rule
 - ▶ Identify a point person to organize the implementation effort
 - ▶ Prepare briefing materials for providers and staff
 - ▶ If using a consultant get the consultant involved in assisting with implementation
 - ▶ Obtain support from providers
 - ▶ Talk with providers about ICD-10 and the impact and how it will effect the practice
 - ▶ Establish a timeline and regular schedule to report progress
 - ▶ Conduct initial impact analysis
 - ▶ Who has decision making authority?



Implementation Benchmarks Very Small to Small Practice

- ▶ **Step 1: Organize the Implementation Effort**
(This is the organizing of the project, team and resources to complete the project.)
 - ▶ **Include on the Executive Steering Committee:**
 - ▶ Senior managers
 - ▶ Physicians
 - ▶ Coders
 - ▶ Compliance officers
 - ▶ Other staff members



Implementation Benchmarks Medium to Large Practice

▶ **Step I: Organize the Implementation Effort**

(This is the organizing of the project, project team, and resources to complete the project.)

- ▶ Review ICD-10 Final Rule
- ▶ Conduct senior management briefing and obtain buy-in
 - ▶ Complete initial preliminary analysis of system impact
 - ▶ Prepare briefing materials
 - ▶ Identify senior manager project supporter
 - ▶ Establish senior management's role in completing project
 - ▶ Establish regular schedule to report progress to senior management
 - ▶ Coordinate briefings with the 5010 project team



▶ **Initial Contact with System Vendors**

▶ Contact System Vendors and ask questions

- ▶ Will they be able to accommodate the need to move to ICD-10?
- ▶ Will they be ready for 5010 on January 1, 2012
 - ▶ Establish a coordination plan for 5010 conversion
- ▶ What plans do they have in place for Implementation?
- ▶ When will they have software available for testing?
 - ▶ When will they start?
 - ▶ How long will they need to complete testing
 - ▶ What will be needed for testing
- ▶ Will we need new hardware or is our current hardware sufficient?
- ▶ What costs will be involved with the transition to 5010 and ICD-10?
 - ▶ Will it be a simple software upgrade included in the contract
 - ▶ Are additional software upgrade fee applicable
 - If yes, what will the cost be?



Communication Plan

- ▶ **Step 2-The Communication Plan**
- ▶ Establish a communication plan—how the committee or point person will communicate to all staff in relation to implementation (e-mail, meetings, etc.).
- ▶ Develop materials to disseminate to providers and staff
- ▶ Establish timelines for communication
- ▶ Medium to Large Practices
 - ▶ Develop materials to distribute to staff/providers

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Impact Analysis

- ▶ **Step 3-Conduct an Impact Analysis**
- ▶ Any size practice
- ▶ How will ICD-10 Affect your Practice?
- ▶ Take this step prior to development of budget
 - ▶ In depth look at resources required for implementation
- ▶ Will help determine what costs might be involved as well as work processes

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Impact Analysis

▶ Step 3-Conduct an Impact Analysis

- ▶ What systems will be affected?
 - ▶ Practice management
 - ▶ Coding lookup programs (if applicable)
 - ▶ Electronic Medical Record
 - ▶ Hardware space
- ▶ What are the potential costs involved?

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Impact Analysis

▶ Step 3: Conduct In-depth Impact analysis

(This includes a high level review of regulatory requirements, timeline, and resources needed over the next several years and identifying a source of funding and coordinator of project.)

- ▶ Identify at a high level existing systems that will be impacted by ICD-10
- ▶ Should take approximately 6 months to complete
- ▶ When performing impact analysis contact system vendors



Impact Analysis

▶ Step 3-Conduct an Impact Analysis

- ▶ Identify overall impact of ICD-10
 - ▶ Review the new coding guidelines
 - ▶ Identify general impact of coding changes
 - ▶ Review crosswalks – government available; more enhanced vendor products
 - ▶ Determine use of crosswalks internally
 - ▶ Identify changes to current reports/trending involving ICD-10
 - ▶ Identify any new processes needed because of ICD-10
 - ▶ Identify additional quality efforts needed to ensure proper coding specificity
- ▶ Review opportunities that could impact reimbursement, value based purchasing, and pay for performance

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Prescription for Success

- ▶ The time is to begin now on ICD-10 Planning
- ▶ Get your key point person/task force together to begin the steps to implementation
 - ▶ Get support for implementations
- ▶ Develop your communication plan
 - ▶ Communicate with providers and staff
- ▶ Conduct an in-depth Impact Analysis
 - ▶ How will ICD-10 affect your medical practice



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How to Accomplish a “Stress Free” Implementation?

- ▶ Communication
 - ▶ Vendors
 - ▶ Health Plans
 - ▶ Consultants
 - ▶ Other providers
 - ▶ Enlist manager and coder/billing support and assistance
 - ▶ Rely on organizations to help with training and guidance towards successful implementation

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AAPC's ICD-10 Resources

- ▶ Reasonable cost training currently under development
 - ▶ Distance learning module for implementation guidance- August 2009
 - ▶ Fifteen minute webinar series for physicians and managers-1st quarter 2010
 - ▶ 15 or more topics under development
 - ▶ Provider Curriculum for medium to large group medical practices and universities-1st quarter 2010
 - ▶ Audio's and webinars for general ICD-10 guidance- 1st quarter 2010

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AAPC's ICD-10 Resources 2011-2013

- ▶ Webinars specialty specific ICD-10-CM
- ▶ Distance learning modules general and specialty specific
- ▶ Half day workshop for ICD-10-CM and ICD-10-PCS training
- ▶ Education sessions will range from 5-10 sessions at the AAPC National Conference in 2010 and 2011
- ▶ Twenty education sessions at the National and Regional AAPC conference in 2012
- ▶ AAPC National Conference will have twenty education sessions available of various topics in 2013
- ▶ Eight Regional Conferences will be held throughout the country and all sessions will focus on ICD-10-CM and ICD-10-PCS in 2013

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15 Minute Webinars Series for Physicians and Practice Managers

- ▶ Some of the Topics Include:
 1. How Do I Begin?
 2. What areas will Impact my Medical Practice?
 3. Conducting a Impact Analysis
 4. Developing a Realistic Budget for Implementation
 5. What Questions should I ask my Vendors?
 6. How will 5010 Affect my medical practice?
 7. Planning for Implementation
 8. What methods and types of training should I engage for my employees?
 9. How much time should we devote to training?
 10. Analyzing the Business Process
 11. Conducting a Gap Analysis
 12. Crosswalking from ICD-9-CM to ICD-10-CM
 13. Should my Practice Implement an Electronic Medical Record along with ICD-10 Implementation
 14. What should I expect my vendor to deliver
 15. What happens after the Implementation date

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AAPC's ICD-10 Plan for our Certified Coders

- ▶ ICD-10-CM proficiency testing will begin October 1, 2012 and end September 30, 2014
 - ▶ Every certified coder must take and pass a proficiency examination on ICD-10-CM to maintain certification
 - ▶ Open book 75 question test.
 - ▶ Coder may use any resource available to complete examination
 - ▶ May take the examination twice for a cost of \$60.00
 - ▶ Test is taken on line and is a timed test

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Resources

<http://www.aapc.com>

- ▶ Valuable resources for all medical practices solo practitioners-large medical groups
- ▶ <http://www.cms.hhs.gov/ICD10>
- ▶ Complete list of code sets for ICD-10-CM and ICD-10 PCS; final rule and Official ICD-10-CM Guidelines

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Implementation Webinar Part 2

- ▶ The next Webinar will cover the following implementation steps:
 - ▶ Step 4: Organize Cross Functional Efforts
 - ▶ Step 5: Budget Development
 - ▶ Step 6: Internal System Design and Development-
Medium to large Medical Practices
 - ▶ Step 7: Development of the Training Plan
 - ▶ Step 8: Contact System Vendors
 - ▶ Step 9: Implementation Planning

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Questions?



Thank Your for Attending

- ▶ For more information or to schedule Curriculum Training go to: www.aapc.com

