10

THE PERFECT 10

PLANNING AN ICD-10 CONVERSION FOR MAXIMUM PRODUCTIVITY AND PROFITS

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ICD-10 is the World Health Organization's (WHO) 10th version of the International Statistical Classification of Diseases and Related Health Problems (ICD), a coding system for diseases, symptoms, abnormal findings and causes of injury and illnesses. While these codes are frequently updated and new versions released, ICD-10 brings dramatic changes by comparison to prior versions.

By now everyone in healthcare is well aware of the looming federally mandated deadline for conversion to ICD-10 on October 1, 2014. Initially, implementation of the new codes was scheduled for October 2013 but the Centers for Medicaid and Medicare Services (CMS) extended the deadline one full year believing that providers, payers, and vendors needed more time to prepare.

Unlike prior conversions, the switch to ICD-10 will involve a significant learning curve for all users especially if the software currently used for billing by the practice or revenue cycle management (RCM) company does not have a coding converter to assist in identifying appropriate ICD-10 codes from ICD-9 codes.

The new codes are much more detailed, precise, and logically organized than previous iterations, enhancing their outcomes value. For practices that are unprepared, the transition undoubtedly will have a negative impact

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on workflow as well as reimbursement timeframes due to miscoding and claim denials.

To mitigate these risks, medical practices and RCM companies must prepare for the change and develop an action plan well in advance of the upcoming deadline. Experts advise that an ICD-10 conversion program should begin no less than four to six months before the conversion deadline itself in order to at least become familiar with the physicians' most commonly used new ICD-10 codes.

To be effective, medical practice and RCM company leadership must understand the fundamental differences with ICD-10, and facilitate training programs for coders and all physicians on the details of ICD-10.

It might involve having to replace the existing billing software with a program that has a built-in code converter. Billing software vendors themselves also can be important partners in smoothing the transition to ICD-10.

The deadline is less than a year away. If you have not already done so, the time to start your conversion preparation program is now!

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THE NEED FOR ICD-10

Why is a new ICD code version essential at this point in time? The short answer is that ICD-9 has literally run out of numbers. With rapidly expanding medical research and scientific discoveries, all the current combinations in three, four and five digit ICD-9 codes have already been assigned.   Additionally, the number of code sub-categories in ICD-9 is limited, making it difficult to drill down to the same level of precision that is built into the new ICD-10 code.

Important to note is that unlike ICD-9 codes which rarely contain letters, all ICD-10 codes are alphanumeric, beginning with a letter and containing a combination of letters and numbers thereafter.   ICD-10 codes contain up to seven characters and support approximately 14,400 different codes with optional sub-classifications that bring the total to more than 16,000 codes. The US ICD-10 CMs (Clinical Modifications) have also been expanded to include some 68,000 codes, while ICD-9-CM supported only 13,000 codes. Therefore, the system as a whole conveys far more information with an expansion of high level codes and an enhanced hierarchal structure to communicate diagnoses in far greater detail.

The ultimate goal of the ICD-10 conversion is to actually simplify coding, billing and reimbursement overall, accelerating the cycle of revenue. But by all accounts, it will take time for this desired effect to be realized.

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THE MAJOR CHALLENGES OF ICD-10 CONVERSION

In previous ICD transitions, each old code simply became a corresponding new code. And those were difficult enough. With ICD-10, it is expected that any single ICD-9 code will have multiple (at least two) possible ICD-10 codes. Some may have more than ten possible sections.

So, conversion will likely not be a simple matter of substituting one code for another. Moreover, because the system is more detailed overall, coders must be extremely careful to make distinctions that were not necessary before to make accurate selections. A billing system having a built-in coding converter will definitely help.

Selecting wrong codes will delay reimbursements and negatively impact cash flow which is the very essence of the entire concern about ICD-10. It is for this reason that virtually every payer and even CMS itself suggests that practices and RCM companies maintain solid cash reserves or prepare to have lines of credit available in the event of mass miscoding and subsequent denials.

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Another problem that is expected to result in its own ICD-10 frustrations involves the possibility of having to manually enter codes that will now include letters as well as numbers. The added time required and the additional potential for typing errors cannot be understated.

This can be avoided if the system being used provides a dropdown listing of codes as part of their converter. If it does, then the correct code can be selected simply by clicking it, eliminating the need to manually enter letters and numbers.

Finally, with looming Meaningful Use deadlines for EHR incentives and with providers still getting accustomed to using their EHR or just now implementing one, the timing of the ICD-10 deadline is particularly stressful. Administrative and training staff may already be in short supply, and increased administrative help may be necessary.

10 TIPS TO MAKE YOUR CONVERSION A PERFECT 10

Experts stress that ICD-10 is really a different animal, and the conversion demands a shift in perspective and advance preparation.   Following these points should help make your ICD-10 conversion a success:

1   **Assess the current coding landscape.** Before launching an ICD-10 conversion program, survey staff to understand the strengths and weaknesses of your current coding department and the individuals involved. Assess the procedures for, and specific methods of code documentation noting every area of the practice that may play a role in coding.

2   **Commit to training.** You've heard it before but it bears repeating: training is crucial. First, consider how the new coding will impact staffing each area of your organization. Physicians and coders are the most obvious training candidates. But, as you will likely find, others may be involved too. Experts advise implementing between 20 and 40 hours of training for coders, with a minimum of 10 hours of hands-on practice. Physicians should receive between 8 and 16 hours of training. Staff peripherally involved in coding should receive a minimum of two hours of education. If the billing system can convert ICD-9 codes to corresponding ICD-10 codes, training can be that much easier.

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Build physician engagement. Physicians must understand how critical the nuances and details are to the new coding process since revenue can be negatively impacted. Build engagement by positioning ICD-10 as an opportunity for enhanced revenue, patient care and ultimately workflow efficiency.

4

Focus on priority codes. Providers or administrators should identify high-priority codes (frequently used codes and high revenue-generators) and focus training efforts on these. Codes requiring new and overly complex documentation and difficult distinctions should also be included in training.

5

Financial implications. Unlike most prior coding changes, ICD-10 has the potential to really impact negatively on revenue. What used to be included under a single code may now be covered by a series of codes with differing reimbursements. Providers must examine the distinctions and their implications on reimbursements from all payers.

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Understand the full IT and documentation implications.
Providers should review their full range of IT systems, reports and documents where ICD-9 codes are currently used. In addition to the billing / practice management system, this also typically includes electronic health records systems. Plan ahead for this.

7

Take advantage of all available support resources. You don't have to go it alone. CMS, for example, offers a comprehensive range information on their website. IT vendors that truly partner with customers also can be an excellent source of assistance. Some offer webinars and whitepapers such as this. A really good IT vendor can be a strong partner in your successful conversion, especially a vendor whose system has a coding converter.

8

Test the system. Conducting dry runs / tests of all systems is important in advance of the ICD-10 deadline. Compare old and potential new reimbursements and identify problem areas to make sure all your information and processes are aligned, being sure to examine the codes actually used most.

9

Allocate sufficient budget. But proper advance preparation should boost workflow and revenues in the long run. Make sure to budget for IT upgrades or perhaps an entirely new system if your vendor is not ready in time for the deadline.

10

Implement post- Go Live analytics. Once the transition is complete, the job is not over. Use analytic tools to examine your reimbursements to pinpoint bottlenecks in claims cycle management, to evaluate performance of coders and to uncover revenue leakage. Make sure you have identified all the changes needed in your practice to convert to the ICD-10 code set. For example, your diagnosis coding tools, superbills, and public health reporting tools will need to be updated, and you will need to make clear which code list to use based on the date of service. Ideally, the practice's or RCM company's system displays this data electronically.

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