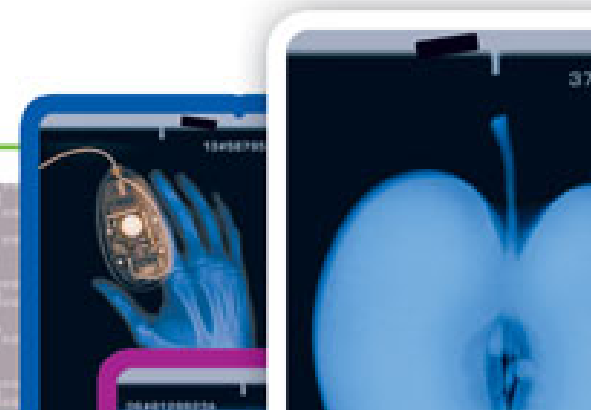




ICD-10: Next Steps for Physicians and Practices

Presented by G2N and Precision Practice Management



CPE Certificates



This webinar qualifies for 1 CPE credit. Please complete our short survey of 8 questions that will appear at the end of the webinar in order to receive your certificate.

Your certificate will be emailed to you.



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Honest & Healthy Bottom Lines

Rosie Donovan, RHIA



Client Partner for G2N, Inc. Rosie provides coding, documentation audits and other revenue cycle consulting services.



- 33 years of physician practice experience in both multispecialty, independent and Rural Health Clinic ambulatory medical groups
- Focus on documentation and coding audits, compliance, and reimbursement
- BS from Saint Louis University
- RHIA, credentialed by AHIMA
- AHIMA-Approved ICD-10-CM/PCS Trainer



We work to ensure America’s healthcare providers have *honest & healthy* bottom lines in order to continue to fulfill their mission of improving community health.



Agenda



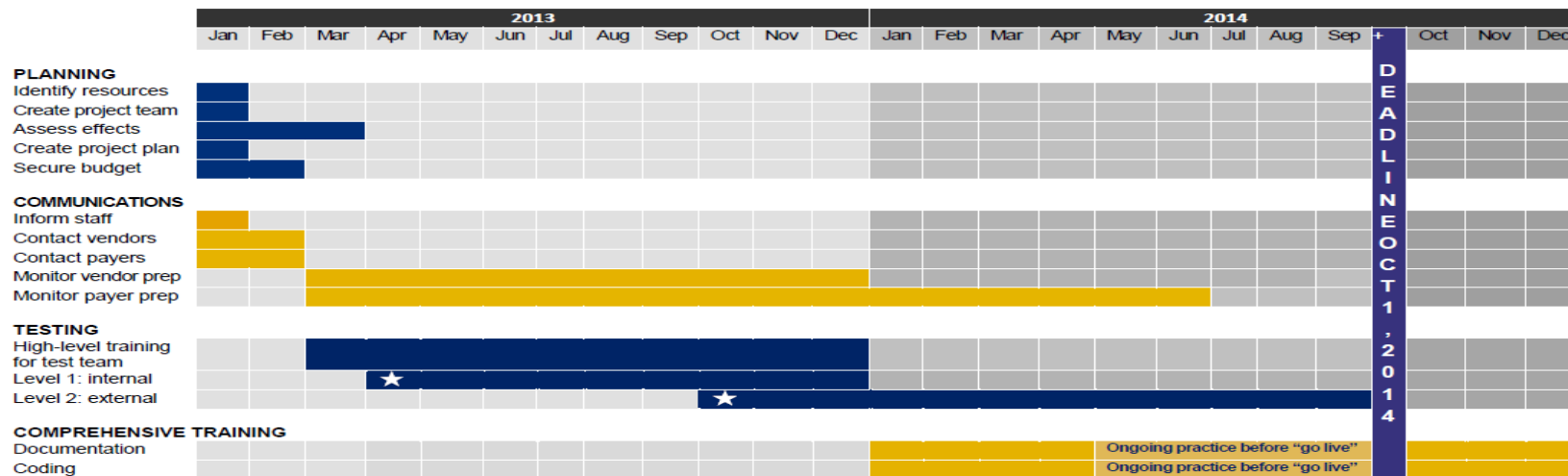
- ICD-10-CM Basics
- How ICD10 will affect the Healthcare Industry
- What the next steps are for this initiative to be successful
- Questions



CMS – Preparedness Timeline



ICD-10 Timeline for Large Practices at a Glance



Zoom out (Ctrl+Minus)

January 2013



How Will It Affect You?



The affect of I-10 transition will be directly related to how YOU and your practice prepare.

In the field of observation, chance favors only the prepared minds. [Louis Pasteur](#)

Make a difference – Get involved!





What We Know





“Preparation is essential with a big initiative such as implementing ICD-10, but we recognize the payoff in ensuring our nation’s healthcare information and data systems are using up-to-date terminologies and classifications to improve our healthcare knowledge and systems.”

AHIMA CEO Lynne Thomas Gordon, MBA, RHIA, CAE, FACHE, FAHIMA



Briefly - ICD-10-CM History



- Diagnostic coding system
- Developed by WHO (World Health Organization)
- In 1970s
- First recommended implementation date: October 1, 2013
- FINAL compliance date: **October 1, 2014**
- Internationally I-10 has been around for many years – Australia, Canada etc.



Compare and Contrast



- Number of codes
 - ICD-9 @ 13,000 codes
 - ICD-10 @ 68,000 codes (@ 5 times more)
- Structural
 - ICD-9 3 to 5 digits – mostly numeric
 - ICD-10 3 to 7 digits – alpha 1st, numeric 2nd, and alpha/numeric 3rd to 7th
- ICD 10 has greater specificity – laterality etc.



Common Themes



- **Communication and planning are key factors to a successful transition**



Common Themes – What We Know



- Education
- Staffing
- Computer assisted coding (facility only)
- Clinical Documentation improvement
- IT-Vendor-Payer preparedness
- Provider preparedness (documentation)





What Will It Take?



- Take the time to get the mix right between, time, money, and labor.
- It is estimated that coding time will increase by 40%-50% meaning that less charts will be coded.
- Claims review/processing will take more time to verify medical necessity and of course re-code/rebill.
- It will take time to educate and re-educate.



- Of course, it is going to take a financial investment to be prepared.
- Estimates are varied
- Range \$83,000 to \$2.7 million depending on size of practice
- Prepare a budget
- Fine tune it as you determine how you will manage the transition for your coders/billers



- What will it take to educate current staff?
- What will it take to code/bill the current volume of coding/billing?
 - Hire additional coders/billers
 - Outsource
 - Will you pay by the chart/claim or by the hour?
- Combination of both
- Use your current staff



Coding Labor Survey



- 63% expect to hire additional coders
- 59% expect to hire more outpatient coders
- 25% will outsource
 - 50% prefer an hourly rate when contracting
- 11% outpatient coding combo of hiring and outsourcing



Audit or Verify



- Make sure you have a verification method established
- Audit coders and billers for
 - Accuracy
 - Quality
 - Clean claim creation
- Then educate and re-educate



“Practice makes Perfect!”

- Practice, Practice, Practice
- Coders and Billers must become familiar with new alpha-numeric codes
- Use of coding books takes more time
- Numeric key pad will have limited use
- We will be using entire key board to enter our I-10 diagnosis codes



Polling Question #1



Is it time to panic about the state of your 1-10 preparedness?

- ☐ What is the ICD-10 code for when the sky falls on you?
- ☐ It's time to start worrying
- ☐ Maybe the situation is not so bad
- ☐ Don't worry, be happy



The rules will change 10/1/2014



Please don't let them change the rules before I finish these claims





Manager of Clinical Services for Precision Practice Management

PPM provides a comprehensive suite of services including revenue cycle management, coding and auditing, IT management, Electronic Health Record sales and support, credentialing services, marketing services, website design, and other practice management services.



- 20 years of physician revenue cycle management experience
- Lead responsibility of implementation and roll-out of ICD-10 across PPM's national client base
- Knowledge in managing internal billing operations, implementing software, auditing physician documentation, and analyzing financial results
- CPC, credentialed by AAPC





How Will it
Affect You?



ICD-10: Not Optional



Transition to ICD-10 is not optional

- All “covered entities” as defined by the Health Insurance Portability and Accountability Act of 1996 are affected
 - Only excluded payers: workers compensation, auto liability & disability payers
 - These payers are able to choose which code set (ICD-9 or ICD-10) they will use for claims with dates of service on/after October 1, 2014
- HIPAA 5010 electronic healthcare transaction standards are required to process ICD-10 transactions – no crosswalks
- Cannot use ICD-10 codes in production prior to the compliance deadline of October 1, 2014



Polling Question #2



Can your systems handle both ICD-9 and ICD-10 based on dates of service at the same time?

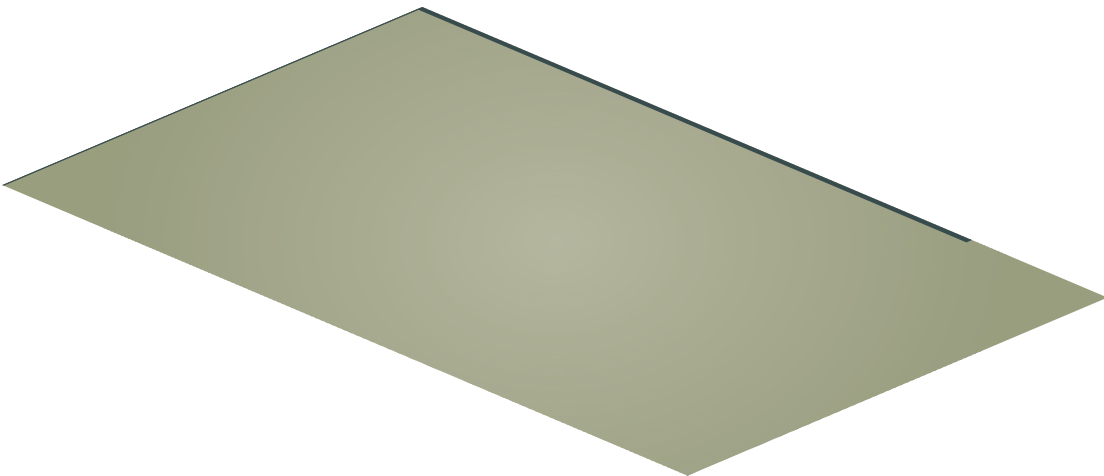
- ☐ Yes
- ☐ No
- ☐ I don't know



ICD-10: Not Optional



00. Physicians must be trained.



Provider Participation



- Providers have to take an active role and be engaged in this change
- The focus on documentation will drive improved patient care



The increased code detail contained in ICD-10 means that **provider documentation will have to change substantially**

- ICD-10 includes a more robust definition of specificity.
 - comorbidities, manifestations, etiology/causation, complications, detailed anatomic location, initial/subsequent/sequelae visit, degree of functional impairment, biologic and chemical agents, phase/stage, lymph node involvement, lateralization and localization, procedure or implant related, age related, joint involvement, fracture pattern/name of fracture, displacement, classifications, or healing status as it relates to the patient's condition.



Diagnosis Code Comparison



| Characteristic | ICD-9-CM (Vol 1 and 2) | ICD-10-CM |
|---|--|--|
| Field Length | 3-5 characters | 3-7 characters |
| Available codes | Approximately 13,000 | Approximately 68,000 |
| Code Composition (numeric or alphabetical) | Digit 1 = alpha or numeric Digits 2-5 = numeric | Digit 1 = alphabetical Digit 2 = numeric Digits 3-7 = alphabetical or numeric w/ X placeholders for future code development |
| Overall detail | Ambiguous | Very specific (allows description of comorbidities, manifestations, etiology/causation, complications, detailed anatomic location, sequelae, degree of functional impairment, biologic and chemical agents, phase/stage, lymph node involvement, lateralization and localization, procedure or implant related, age related, or joint involvement) |
| Laterality | Does not identify right vs. left | Identifies right vs. left |
| Sample code | 813.15, Open fracture of head of radius | S52123C, Displaced fracture of head of unspecified radius, initial encounter for open fracture type IIIA, IIIB, or IIIC Changes from 1 code to more than 1800 code options for Radius Fracture |



Documentation Requirements



| Category | Documentation Requirements to Code ICD-10 | |
|---------------|---|--|
| Fracture type | Open Closed Pathologic Physeal (growth plate) Fractures Neoplastic Disease | Torus (buckle) fractures Green stick fractures Stress fractures Orthopedic implant (fractures associated with) Bent Bone |
| Healing | Routine Delayed | Nonunion Malunion |
| Localization | Shaft Lower End Upper | End Head Neck Styloid process |
| Encounter | Initial Subsequent Sequelae | |
| Displacement | Displaced No displaced | |
| | | |



Documentation Requirements



| Category | Documentation Requirements | |
|------------------|--|--|
| Classification | Salter Harris I Salter Harris II Salter Harris III | Salter Harris IV Gustilo type I or II Gustilo type IIIA, IIIB, or IIIC |
| Laterality | Right Left Unspecified side | Unilateral Bilateral |
| Join involvement | Intra-articular Extra-articular | |
| Fracture pattern | Transverse Oblique Spiral | Comminuted (many pieces) Segmental |
| Named fractures | Colles' Galeazzi's | Barton's Smith's |
| | | |



Impacted Clinical Areas



| <u>Clinical Area</u> | <u># of ICD9</u> | <u># of ICD10</u> |
|------------------------------|------------------|-------------------|
| Fractures | 747 | 17,099 |
| Poisoning & Toxic effects | 244 | 4,662 |
| Pregnancy related conditions | 1,104 | 2,155 |
| Brain Injury | 292 | 574 |
| Diabetes | 69 | 239 |
| Migraine | 40 | 44 |
| Hypertensive Disease | 33 | 14 |
| End stage renal disease | 11 | 5 |
| Chronic respiratory failure | 7 | 4 |



Concept Area



| <u>Concept -</u> | <u># of codes</u> |
|----------------------|-------------------|
| Right | 12,704 |
| Left | 12,393 |
| Initial Encounter | 13,932 |
| Subsequent Encounter | 21,389 |
| Displaced | 5,298 |
| Non-displaced | 5,253 |
| Routine Healing | 2,913 |
| Delayed Healing | 2,913 |
| Nonunion | 2,895 |
| Malunion | 2,595 |





Where Do We Start?



Transition Road Map – 6 Phases



Planning

- Establish project management
- Establish governance
- Plan to communicate with external partners
- Establish risk management

Communication & Awareness

- Create Communication plan
- Assess training needs, create training plan
- Meet with staff to discuss effect of ICD-10, identify responsibilities

Assessment

- Assess business and policy impacts
- Assess technological impacts
- Evaluate vendors

Operational Implementation

- Identify system migration strategies
- Implement business and technical modifications
- Prepare and deliver training

Testing

- Complete level I internal testing
- Complete level II external testing

Transition

- Prepare and establish the production and go-live environments
- Deliver ongoing support after implementation



Planning and Coordination



Basic planning activities

- Identify team of resources
- Who owns each task
- Identify and contact all internal and external stakeholders (vendors, providers, affiliated hospitals, clearinghouses, etc.) to determine their plans for ICD-10 transition, and ensure involvement, commitment, and timeline for updates and implementation.



Communication & Awareness



- Develop ICD-10 Steering Committees
- Executive Sponsor
 - Owner of ICD-10 Initiative Planning and Implementation
- Business Decision Development Committee
 - Ability to make financial and business decisions



- Strategic Steering Committee
 - Implementation and Planning team
 - Budget Development team – AAPC recommends practices have a pre-approved line of credit established to support their practice 6 months after go live in the event issues arise
 - Communication team
 - Impact Analysis team
 - Documentation/Clinical Impact team
 - IT team
 - Compliance team



- Education Steering Committee
 - Assess, develop training plan, implement training
- Communication Steering Committee
 - Content development
 - Coordination and message development



- Cross Functional Committee
 - Impact Assessment
 - Billing
 - Coding
 - EHR
 - IT
 - Documentation
 - Payers



Polling Question #3



Who in your organization will be implementing or leading the ICD-10 initiative?

- ☐ 1 - Physician
- ☐ 2 – Management
- ☐ 3 – Biller/Coder
- ☐ 4 – Team effort
- ☐ 5 – No one has been assigned



Communication & Awareness



- Develop a communication plan to ensure all key players understand their responsibilities in the ICD-10 transition
- Create a timeline and hold all teams accountable for deadlines
- Assess training needs and identify different knowledge levels and different levels of comprehension
- Build a training plan and build different plans based on above findings.
- Communicate to providers and staff



Internal/External Impact

- Review business processes affected by the ICD-10 transition
- Determine who will be affected in the organization.
(providers, clinical & non-clinical staff, billers, coders, precertification staff, managers, etc.)
- Determine what will be affected in the organization
- Determine what external vendors will be affected and associated costs

Anything that utilizes an ICD-9 code ...

WILL BE AFFECTED!



Assessment



Medical Necessity

- ABN forms
- Practice intake forms
- Referrals
- Authorizations
/Pre-certifications

Clinical Information Systems

- EHR
- PACS
- eRx
- LIS
- Interfacing with labs or hospital systems
- Physician orders for eRx and testing
- Collection file formats

Billing/Tools

- Encoding tools
- Compliance plans
- Staff training
- Billing protocols –
- Payer Medical Necessity Rules – Payer LCD/NCD/LMRP
- Financial systems
- Billing system
- Claims submission
- Scrubbing tools
- Editing tools
- EDI clearinghouse
- Payer contracts
- Payer and electronic encounter forms for office, hospital, surgery center and DME services
- Internal cheat sheets

Reporting

- Disease management registries
- Utilization tracking
- HEDIS
- Provider/coder/billing productivity
- Analytics
- Research participation

IT Infrastructure

- Software upgrades
- Hardware upgrades
- Internal testing



Operational implementation key activities:

- Determine if/how the practice will work with vendors for implementation
- Coordinate updates of internal policies affected by ICD-10 (clinical, financial, and reporting functions) with vendor
- Finalize system/technical requirements
- Identify test data requirements
- Coordinate updates of code with vendor to remediate system changes/updates to ensure minimal production disruption
- Perform updates of approved code design to remediate system changes
- Coordinate and conduct testing with vendors/partners based on updated system logic



Testing is performed to demonstrate that the system or process meets specified requirements and produces consistent and correct results

Types of tests performed at 2 levels:

- **Internal testing**
 - Testing ICD-10 within your own organization
 - Testing software internally to see if/how the software will handle both code sets
 - Review provider audits
- **External testing**
 - Testing practice management software and export to EDI Clearinghouses to ensure fields are reporting in the correct 5010 EDI format loops
 - Testing practice management software and print claim on HCFA to ensure formatting is correctly displaying on the new HCFA forms
 - Testing ICD-10 with external business partners (if payer will accept testing claims – most have indicated they will not accept test claims)



Transition — Monitoring



Monitor the impact of ICD-10 on your business operations and revenue during transition, and be prepared to take corrective action

- Expect changes in payer triggers and rules for evaluating prior authorizations and referrals; coordinate and communicate with payer to understand their ICD-10 implementation strategies and identify workarounds for clinical scenarios
- Perform regular audits on clinical documentation
- Review payer NCD/LCD/LMRP and compare to payments/denials



Post-transition expectations for vendors

- Assist in troubleshooting and resolving post-implementation issues and problems promptly
- Perform audits to identify areas to enhance and recommend for improving data quality

Practice recommendations

- Review processes to confirm effectiveness and sustainability
 - Clinical documentation changes
 - Coding practices and processes
 - Revenue cycle processes and changes
 - Organizational adaptations made during transition



Next Steps



1. Assign team members to lead responsibilities
2. Educate what ICD-10 is to providers, staff & anyone that will be impacted
3. Assess the internally & externally impacted areas
4. Convert your top 20-50 ICD-9 codes into ICD-10
 - See how the specificity has changed
 - Run a report for each provider & select 10 charts per provider
 - Code the ICD-9, then try coding ICD-10 based on documentation requirements
 - See if the provider documented enough specificity to meet the highest level
 - Create a scorecard showing provider deficiencies
 - Educate providers on the missing requirements
 - Re-audit each provider & educate again
 - Continue on-going auditing & educating until go live
 - Payers will deny or begin reducing payments if the highest level of specificity is not coded/billed
5. Begin training staff and providers (2-4 months prior to go live due to low retention)
6. Transition



How Will It Affect You?

ICD-10 will have a significant impact on your business and to make your practice's future business successful, this will take a team effort.



Polling Question #4



How confident are you that you and/or your organization will be ready on October 1, 2014?

- ☐ Extremely confident
- ☐ Cautiously optimistic
- ☐ It could go either way
- ☐ I don't think we will be ready
- ☐ We will not be ready





Honest & Healthy Bottom Lines



Resources



Resources



- CDC - <http://www.cdc.gov/nchs/icd/icd10cm.htm#10update>
- CMS –
 - <http://www.cms.gov/ICD10/>
 - <http://www.cms.gov/Medicare/Coding/ICD10/ProviderResources.html>
- AHIMA - <http://www.ahima.org/icd10/>
- AAPC - <http://www.aapc.com/ICD-10/>

See Resource list and Diagnosis code inventory



Applications For Your I-Phone

- AHIMA
- Precyse University
- Visual Anatomy Lite
- ICD Sherpa





Questions?



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