

ICD-10 Overview and How Does ICD-10 Impact Departments?

AHA CENTRAL OFFICE

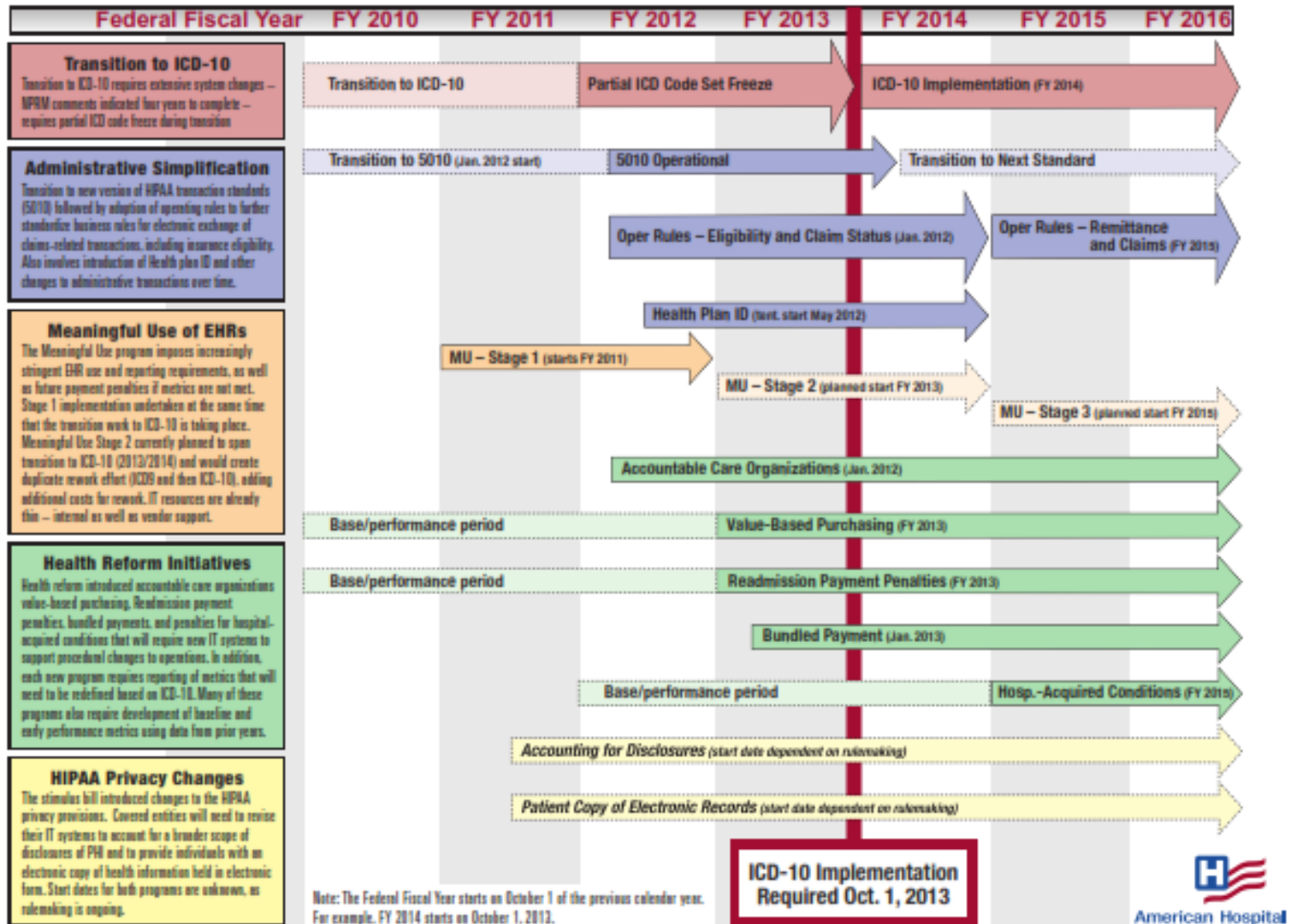


An American Hospital Association Service

Thursday, November 3, 2011
Greater Cincinnati Health Council

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Director Coding and Classification
American Hospital Association

Overlapping Timelines of ICD-10, Meaningful Use of EHRs, and Health Reform Initiatives



Source: American Hospital Association, 2011

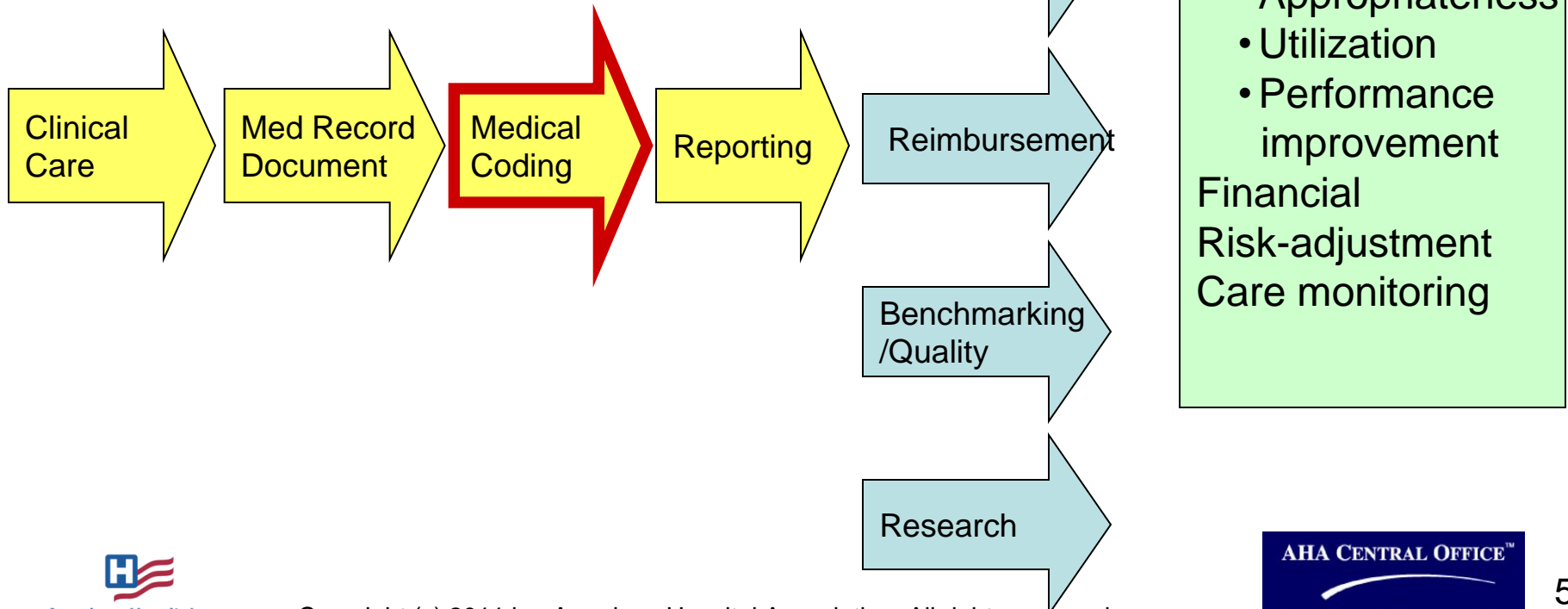
Clinical Coding Diagnosis vs. Procedure

- ICD-9-CM – Volumes 1 and 2, HIPAA standard diagnosis coding for all clinical care settings (e.g. hospitals, physicians, home health, skilled nursing, insurance, etc.)
 - **Upgrade to ICD-10-CM**
- ICD-9-CM –Volume 3, HIPAA standard coding for hospitals to report inpatient services
 - **Upgrade to ICD-10-PCS**
- CPT/HCPCS – HIPAA standard for reporting outpatient services by hospitals and both inpatient and outpatient services by non-hospital providers (physicians, therapists, clinics, insurance, etc.)
 - **No change**

Implementation Date

- Single implementation date for all users
 - Date of service for ambulatory and physician reporting
 - Date of discharge for hospital claims for inpatient settings
- What about cross-over claims spanning the October 1, 2013 date?
 - Stay tune for CMS instructions

Medical Coding Sits Right In The Middle



Risks of Failure to Implement

- The failure to successfully implement ICD-10-CM/PCS can
 - Create coding and billing backlogs
 - Cause cash flow delays
 - Increase claims rejections/denials
 - Bring about unintended shifts in payment
 - Place payer contracts and/or market share arrangements at risk due to poor quality rating or high costs
- Inaccuracy in clinical coding creates distorted or misinterpreted information about patient care which can also result in faulty investment decisions to improve health delivery.
- Potential cash flow disruptions if trading partners are not ready to process

What Will Change? Opportunities

- More accurate information
- Better data
- Improved documentation processes
- Improved cash flow
- Decreased administrative burden
- Improved workflow



Hospital Value-based Purchasing Program

- Quality measures
 - Heart attack care
 - Heart failure care
 - Pneumonia
 - Surgical care
 - Patient safety
 - Hospital acquired conditions
- CMS will evaluate hospitals both on their achievement on each measure during the “performance period” and the improvement in their performance from a “baseline period” to the performance period.
- CMS will translate each hospital’s total performance score into an incentive payment.

Performance measure populations are defined using ICD-9-CM. Will need to be re-specified with the **more specific ICD-10 codes**

Hospital Value-based Purchasing Program

- The ACA requires CMS to make publicly available hospital-specific performance information on individual measures, conditions or procedures, and overall scores.
- CMS will publish on the *Hospital Compare website* hospital-specific information with respect to individual measure scores, condition-specific scores, domain-specific scores and total performance scores.

Performance measure populations are defined using ICD-9-CM. Will need to be re-specified with the **more specific** ICD-10 codes

Quality Reporting Measures are Defined Using Clinical Codes

- Joint Commission core measures
- National Quality Forum endorsed measures
- Physician Consortium for Performance Improvement (PCPI) measures
- CMS demonstration projects
- CMS Hospital Acquired Conditions DRG impact
- State data reporting

Performance measure populations are defined using ICD-9-CM. Will need to be re-specified with the **more specific** ICD-10 codes

Accountable Care Organizations

- Shared savings
 - Encourages groups of providers to form ACOs to improve the quality and efficient delivery of patient care and to share in the cost savings they achieve with the Medicare program.
- Quality measures
 - 33 quality measures
 - Derived from CAHPS survey, assess care coordination problems, provision of preventive services and screenings, provision of early interventions to individuals with known risks for major diseases

The more specific ICD-10 codes will help you better understand the clinical picture of the patients you treat and the treatment you provide.

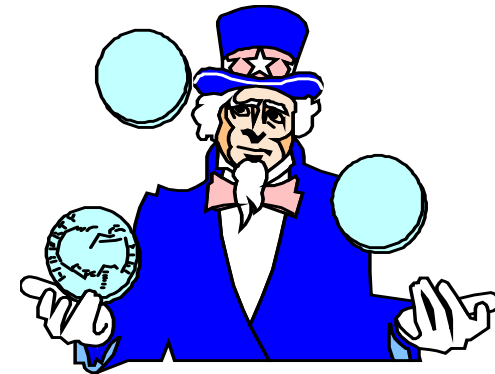
Performance measure populations are defined using ICD-9-CM. Will need to be re-specified with the **more specific** ICD-10 codes

Context for Change

- ICD-9-CM is almost 30 years old
 - No room to add new codes to keep pace with current classification of medical conditions or technological advances
 - Not always precise or unambiguous
- Many countries have already adopted ICD-10
- U.S. mortality data (vital health statistics) already being reported using ICD-10 – difficulty comparing mortality vs. morbidity data
- HIPAA Electronic Transactions and Code Sets notice of proposed rule 1998:
 - “It is inevitable that there will be changes to coding and classification standards after the year 2000. For example ICD-10-CM may replace ICD-9-CM.”

Context for Change (cont.)

- Greater interest in more specific coding system
 - Increasing interest in using administrative data for quality reporting, value-based purchasing, biosurveillance
 - Reimbursement: would enhance accurate payment for services rendered
 - Quality: would facilitate evaluation of medical processes and outcomes
 - Provide better data to support performance measurement, outcome analysis, cost analysis and monitoring of resource utilization

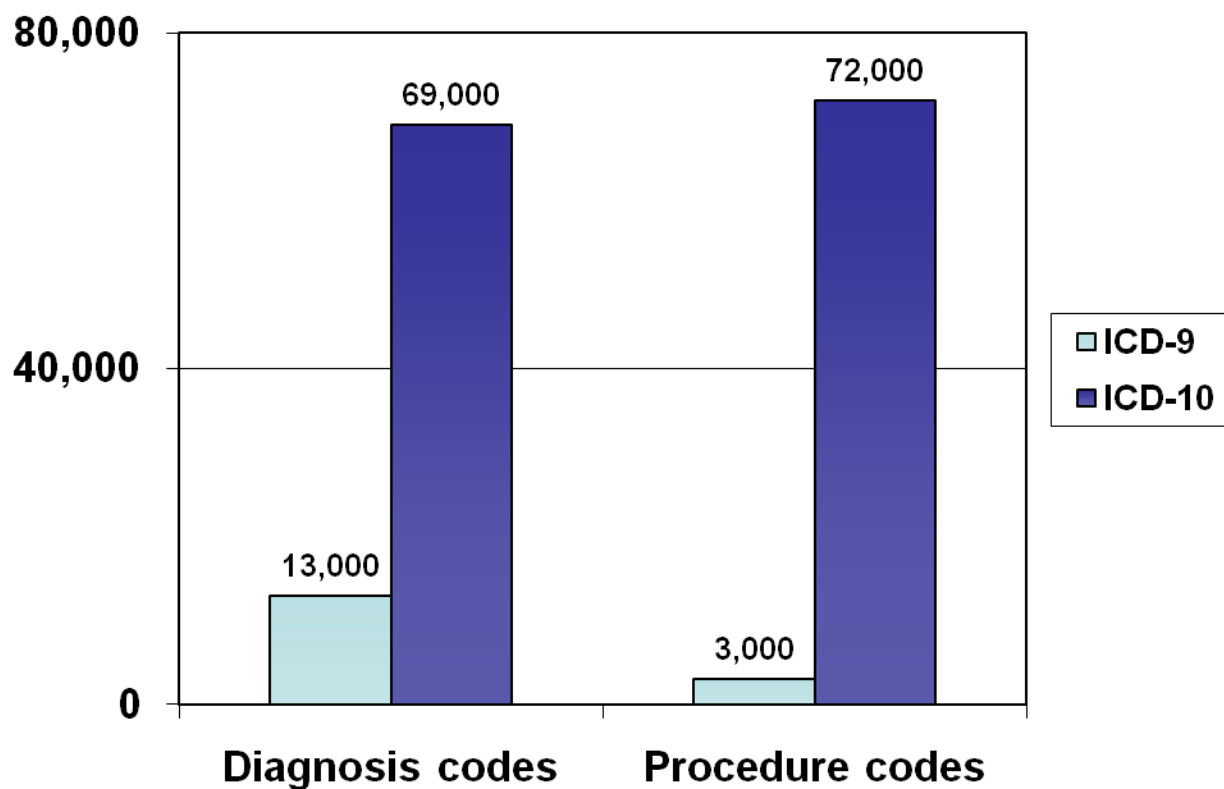


Benefits of Adopting the New Coding System

- Incorporates much greater specificity and clinical information, which results in
 - Improved ability to measure health care services
 - Increased sensitivity when refining grouping and reimbursement methodologies
 - Enhanced ability to conduct public health surveillance
 - Decreased need to include supporting documentation with claims



Number of ICD-9 and ICD-10 Codes for Diagnoses and Procedures



Comparison of ICD-9-CM vs. ICD-10-CM (Diagnosis)

ICD-9-CM

- Approximately 13,000 codes
- Limited space for adding new codes
- Lacks detail
- Lacks laterality
- Difficult to analyze data due to nonspecific codes

ICD-10-CM

- Approximately 69,000 available codes
- Flexible for adding new codes
- Very specific
- Allows laterality and bilaterality
- Specificity improves coding accuracy and richness of data for analysis

ICD-9-CM vs. ICD-10-CM Code Structure

ICD-9-CM

- 3-5 characters in length
- First digit is numeric or alpha (V or E)
- Digits 2-5 are numeric
- Always at least 3 characters
- Decimal point: yes, after third digit
- Dummy placeholder? no

ICD-10-CM

- 3-7 characters in length
- First digit is alpha
- All letters except “U”
- Digits 2 and 3 are numeric, digits 4-7 are alpha or numeric
- Always at least 3 characters
- Decimal point: yes, after third character
- Dummy placeholder: “x”
- Alpha characters not case-sensitive

Comparison of ICD-9-CM vs. ICD-10-CM (Diagnosis)

ICD-9-CM

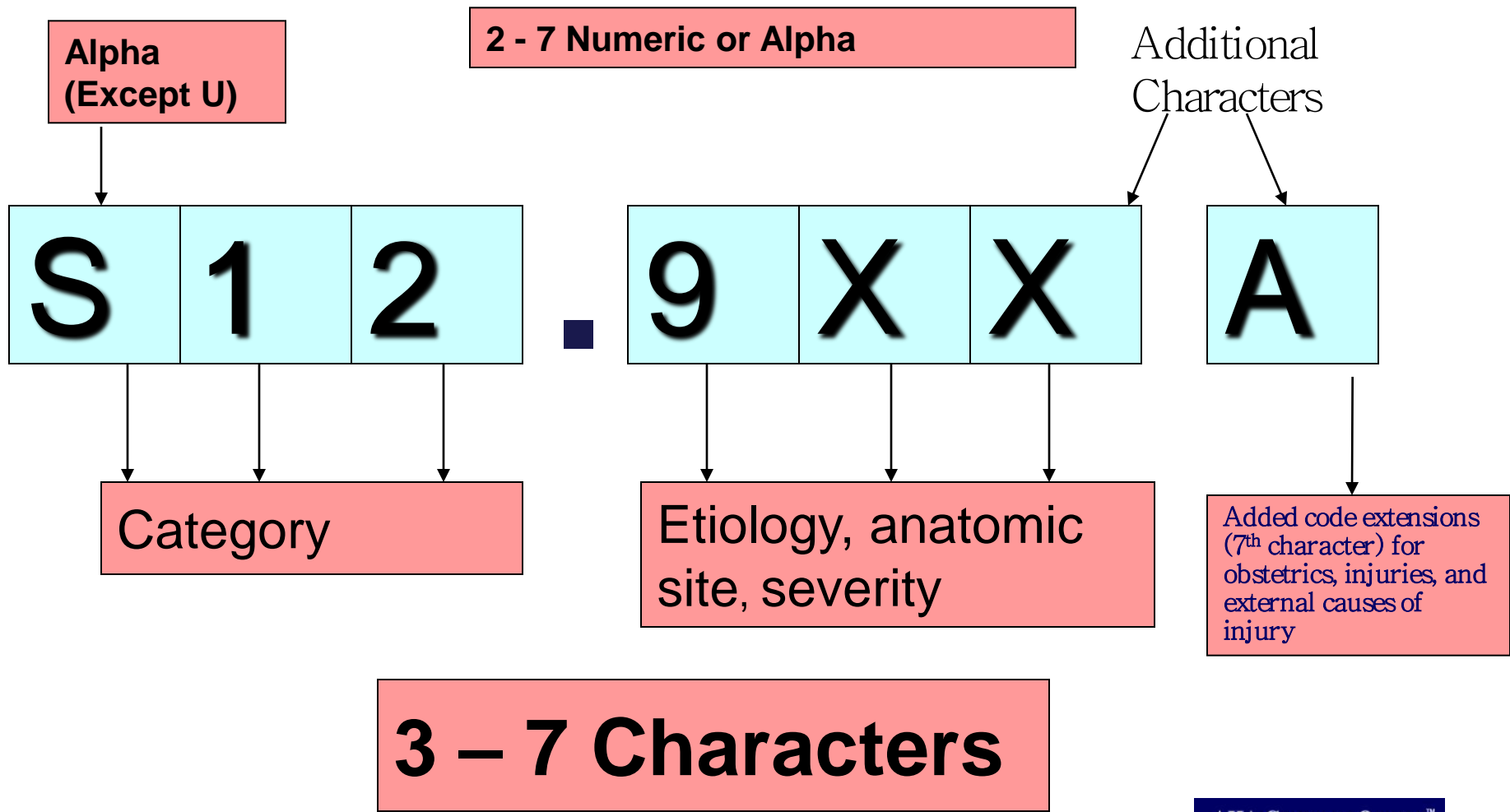
- Does not adequately define diagnoses needed for medical research
- Does not support interoperability because it is not used by other countries

ICD-10-CM

- Detail improves the accuracy of data used for medical research
- Supports interoperability and the exchange of health data between the U.S. and other countries

Changes – Classifications

ICD-10-CM Structured Format



Greater Specificity – Laterality Example

CMS, Hospital Acquired Condition: Pressure ulcer

ICD-9-CM

- **707.05** Pressure ulcer buttock
- **707.22** Pressure ulcer stage II
- **707.24** Pressure ulcer stage IV

ICD-10-CM

- **L89.312** Pressure ulcer of right buttock, stage II
- **L89.324** Pressure ulcer of left buttock, stage IV
- OR
- **L89.322** Pressure ulcer of left buttock, stage II
- **L89.314** Pressure ulcer of right buttock, stage IV



ICD-9-CM vs. ICD-10-CM Sample Codes

ICD-9-CM

- **996.09** Other mechanical complication of cardiac device, implant, and graft

- **909.3** Late effect of complications of surgical and medical care

ICD-10-CM

- **T82.223A** Leakage of biological heart valve graft, initial encounter

OR

- **T82.223D** Leakage of biological heart valve graft, subsequent encounter

- **T82.223S** Leakage of biological heart valve graft, sequela

Greater Specificity – Precision Example

Patient noncompliance: Information may be useful to identify reasons for readmissions and prevent readmissions

ICD-9-CM

V15.81

Noncompliance
with medical
treatment

ICD-10-CM

Z91.11 Patient's noncompliance with dietary regimen

Z91.120 Patient's intentional underdosing of medication regimen due to financial hardship

Z91.128 Patient's intentional underdosing of medication regimen for other reason

Z91.130 Patient's unintentional underdosing of medication regimen due to age-related debility

Z91.138 Patient's unintentional underdosing of medication regimen for other reason

Z91.14 Patient's other noncompliance with medication regimen

Z91.15 Patient's noncompliance with renal dialysis

Z91.19 Patient's noncompliance with other medical treatment and regimen

Summary Comparison of ICD-9-CM vs. ICD-10-PCS (Procedures)

ICD-9-CM

- Approximately 3,000 codes
- Based on outdated technology
- Limited space for adding new codes
- Lacks detail
- Lacks laterality
- Generic terms for body parts

ICD-10-PCS

- Approximately 72,600 available codes
- Reflects current usage of medical terminology and devices
- Flexible for adding new codes
- Very specific
- Has laterality
- Detailed descriptions for body parts

Summary Comparison of ICD-9-CM vs. ICD-10-PCS (Procedures)

ICD-9-CM

- Lacks description of methodology and approach for procedures
- Limits DRG assignment
- Lacks precision to adequately define procedures

ICD-10-PCS

- Provides detailed descriptions of methodology and approach for procedures
- Allows DRG definitions to better recognize new technologies and devices
- Precisely defines procedures with detail regarding body part, approach, any device used and qualifying information

ICD-9-CM vs. ICD-10-PCS Structure

ICD-9-CM

- 3-4 digits
- All characters are numeric
- Decimal point: yes, after the second digit
- All codes have at least 3 characters

ICD-10-PCS

- Each code must have 7 characters
- Decimal point: No
- Each character can be either alpha or numeric
 - Numbers 0-9
 - Letters A-H, J-N, P-Z
 - Alpha characters are not case-sensitive

Change: ICD-10-PCS – Structured Format

ICD-9-CM

5	1	.	2	3
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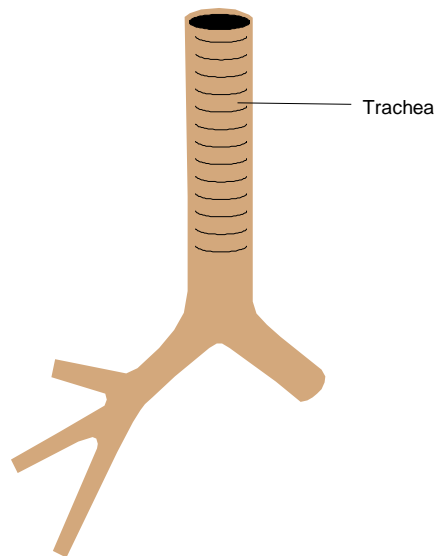
ICD-10-PCS

0	F	T	4	4	Z	Z
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ICD-10-PCS Code Examples (cont.)

ICD-9-CM

- **92.27** Implantation or insertion of radioactive elements



ICD-10-PCS

- **0BH071Z** Insertion of radioactive element into tracheobronchial tree, via natural or artificial opening
 - Multiple codes based on site (e.g., right eye, breast, pancreas) and approach (external, open, percutaneous, percutaneous endoscopic, via natural or artificial opening)

HOW DOES ICD-10 IMPACT DEPARTMENTS?

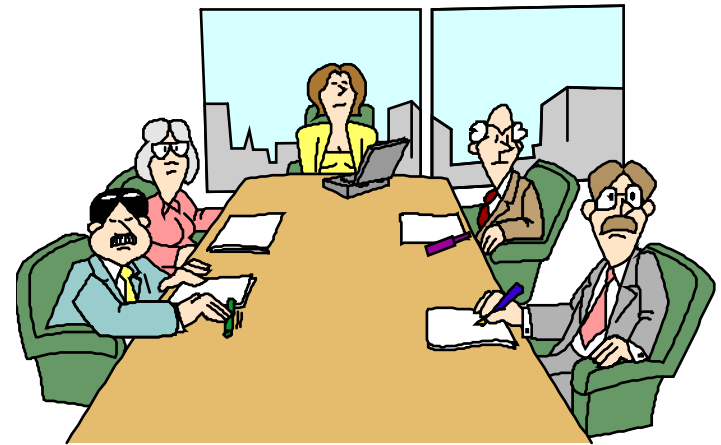
And where should you be now?

Do You Know What the ICD-10 Changes Mean to You?

- It is imperative to know right now what the ICD-10 changes will mean to you and how to proactively address those areas.
 - What are the gaps in documentation?
 - Impact to reimbursement
 - Impact to Value Based Purchasing
 - Impact to quality reporting
 - Public data
 - ACO development
 - Meaningful use

Who is Impacted?

- Payers
 - Reimbursement systems
 - Contracts
 - Claim systems
- Providers
 - Hospitals
 - Physicians
 - Home health agencies
 - Skilled nursing facilities
- Vendors
- Clearinghouses
- Employers
- Other business partners



What Departments are Affected?

- Health Information
- Revenue Cycle
- Finance
- IT
- Quality
- Registration
- Nursing
- Clinics
- Emergency Department
- Pharmacy
- Ancillary services such as:
 - Imaging
 - Laboratory Services
 - Cardiology
- Rehabilitation
- Home Health
- Urgent Care
- Therapies
- Utilization Review
- Outpatient Surgery
- Medical Staff Affairs



Impacts

- Documentation
- System issues
 - What applications use codes?
 - Will vendors be ready?
 - Clearinghouses
 - Other external partners
- Reimbursement issues
 - GEMs
 - Reimbursement map
- Impact to cash flow
 - Decrease in productivity?
 - Increased physician queries?
 - When will coders switch over?

Impacts (cont.)

- Workflow
 - Who collects the data needed for coding?
 - Where and who assigns the codes?
 - Where do the codes go?
 - How are the used?
 - What reports are created?
 - Is there an opportunity to streamline workflow?

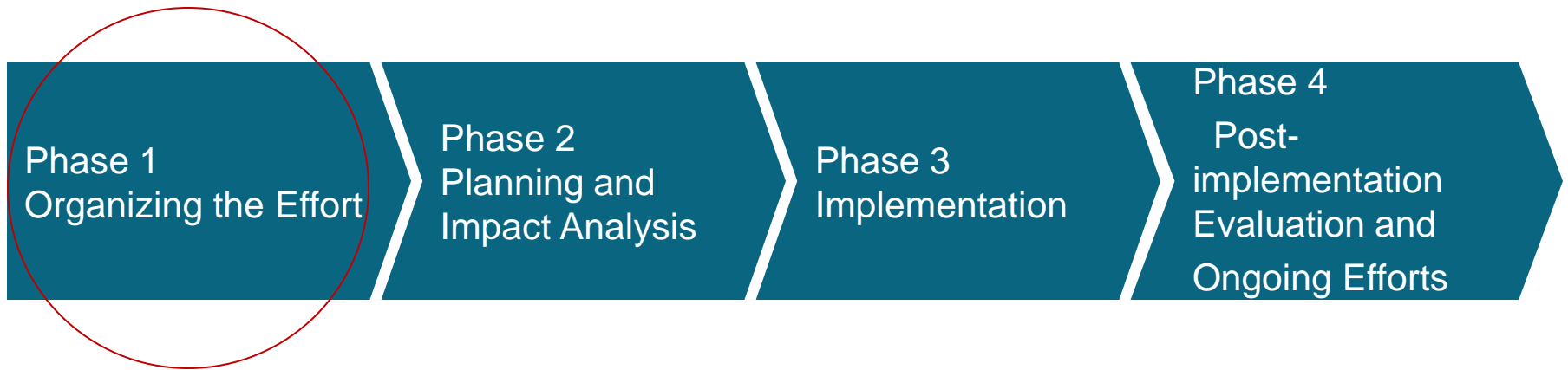
Implementation Phases

Implementation is divided into four phases:



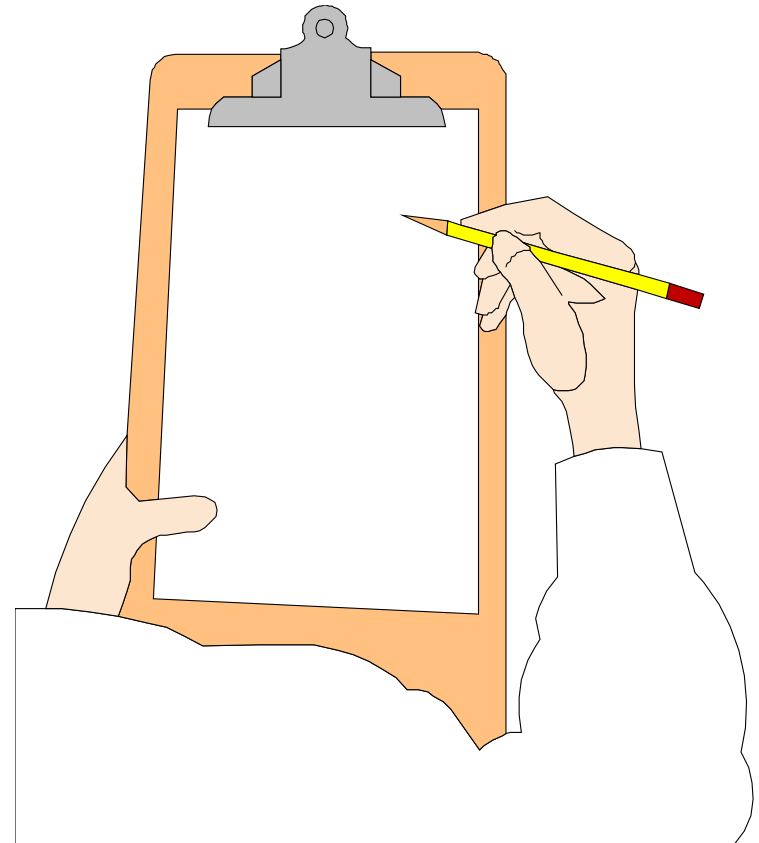
Implementation Phases

Implementation is divided into four phases:



Develop ICD-10 Strategy

- Communicate
- Plan
- What will it take?
 - Working on systems
 - Time to test internally
 - Time to test with external partners
 - Training
 - Determine training needs (different levels)
 - Documentation improvement



Strategic Planning and Opportunities

- Successful transition requires careful strategic planning and coordination of resources across the entire hospital
- Begin by examining every application where diagnosis or procedure codes are captured, stored, analyzed or reported
- Engage executive leadership
- Address challenges across a wide-range of functional areas
- Address implications to current and future information systems
- Review current work flow and medical documentation practices

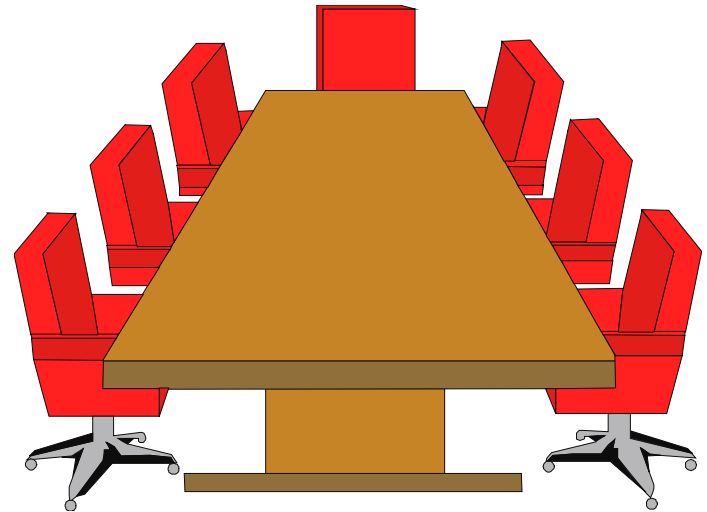
Example of One Facility's ICD-10 Strategy

- Tackle ICD-10 & 5010 as a complement to (not competing with) ARRA related initiatives
- Inclusive from the beginning (not just HIM)
- Not a technology-driven project
- Can't win the game just playing defense (comply), look for opportunities (optimize)

Source: Albert Oriol, CIO, Rady Children's Hospital – San Diego

Phase I - Organizing the Implementation Effort

- This phase will involve:
 - Organizing your cross functional Steering Committee
 - Selecting a Steering Committee leader
 - Developing a meeting schedule
 - Identifying required tasks and developing timelines
 - Assigning tasks and responsibilities



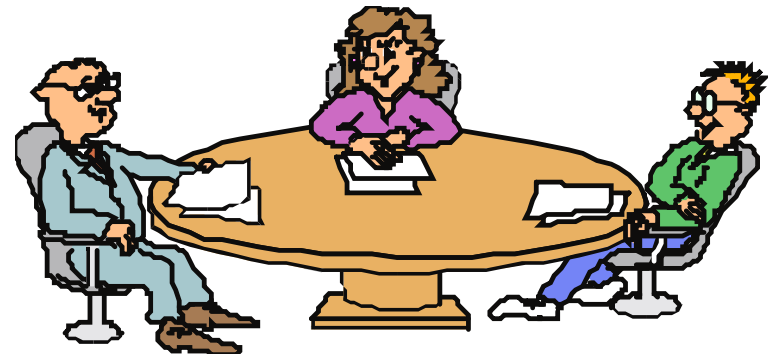
Organizing Your Cross Functional Steering Committee

- Not just a “coding thing”
- Who is in charge?
- Collaboration among departments will be necessary to identify information systems affected
- Members across clinical, financial and information systems area
- Get support from administration
- Be sure to involve both HIM department leaders as well as coders



Cross-functional Team

- Convene a cross functional Steering Committee to:
 - Identify system applications affected
 - Assign tasks and responsibilities to carry-out the necessary changes
- The approach taken will differ among hospitals based on the size and organization of the hospital, level of automation, the number of electronic databases and the functional areas affected



ICD-10 Steering Committee Composition

- Leadership
 - Sponsorship and support from a senior level manager to ensure coordination across departments
- Core Steering Committee Members
 - Health Information Management
 - Information Systems and Technology
 - Billing
 - Finance
 - Compliance
 - Revenue Cycle Management
- Ad Hoc Team Members
 - All other departments impacted



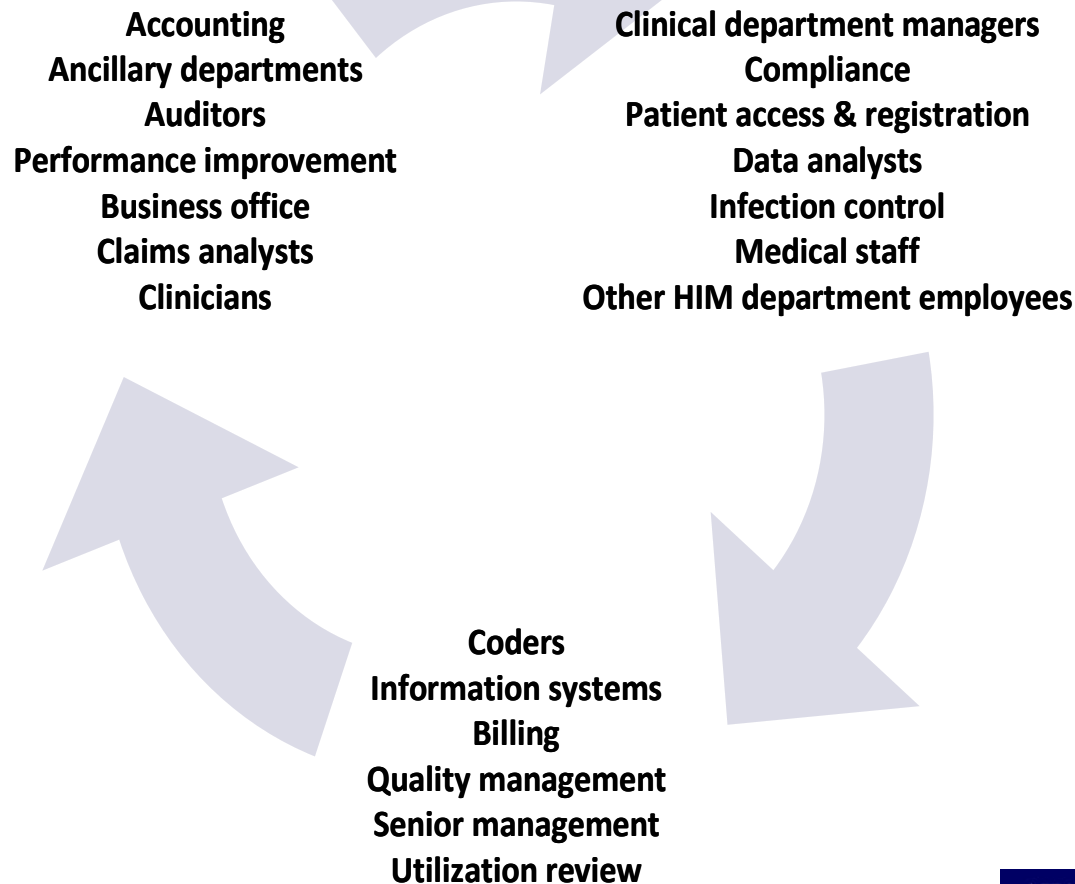
Organizing the Implementation Effort



Tasks

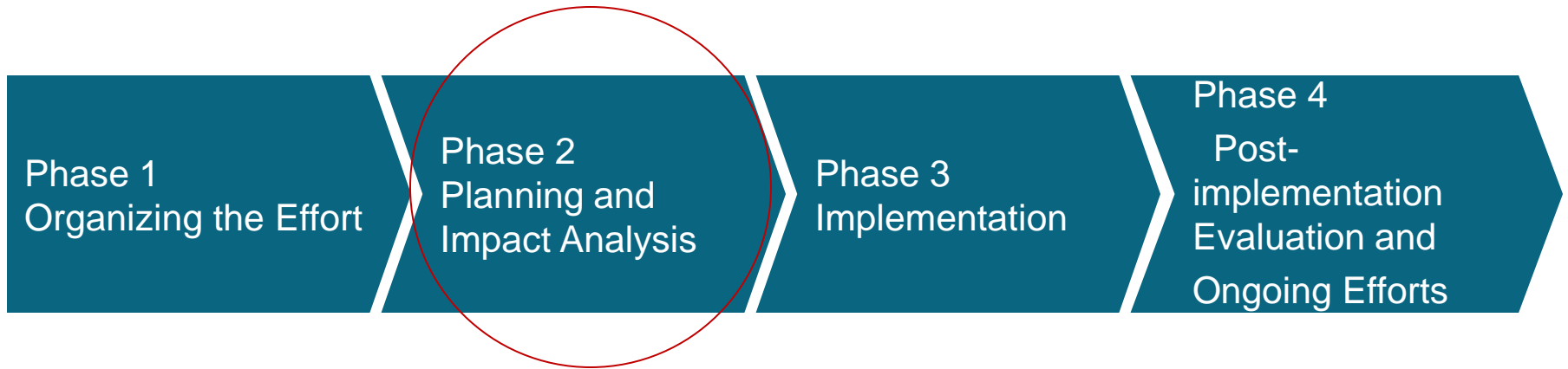
- ✓ Develop implementation goals
- ✓ Develop plan for assessing implementation impact
- ✓ Develop implementation strategy
- ✓ Develop tools to assess impact on affected functional areas
- ✓ Identify Steering Committee's required tasks
- ✓ Develop timelines
- ✓ Assign responsibility for tasks
- ✓ Educate IS staff on code sets

Assessing and Planning for Staff Training Needs



Implementation Phases

Implementation is divided into four phases:



Phase II - Planning and Impact Analysis

- This phase will involve performing an organizational assessment and developing an implementation schedule including:
 - Conducting an information systems inventory
 - Assessing vendor readiness and support
 - Conducting staff awareness sessions
 - Assessing and planning for staff training needs
 - Identifying necessary tools
 - Identifying areas requiring operational and policy changes
 - Evaluating health plan contract implications,
 - Budget planning
 - Identifying gaps in health record documentation

Organize Departmental Assessment

- ICD-10 will impact different departments differently
- Each department should conduct internal assessment and report findings back to the ICD-10 Steering Committee
- Develop a detailed “master to-do list”
- Departmental assessment to include
 - Inventory of information systems
 - Assessment of training needs
 - Identification of areas requiring operational and policy changes
 - Identification of necessary tools

Sample ICD-10 Implementation Department Assessment

Department: Health Information Management							
Application Name	Vendor	Application Maintainer	Frequency of Regular Updates	Under Maintenance Contract	Diagnosis or Procedure Codes, or Both	Codes Entered Directly Into Application or Downloaded from Other Systems?	Lead Person
Encoder	ABC, Inc.	ABC, Inc.	Quarterly	Yes	Both	Entered directly	K. Jackson
Abstracting System	DEF	DEF	Quarterly	Yes	Both	Downloaded from encoder	
DRG Grouper	GHI	GHI	Annual	Yes	Both	Downloaded from encoder	
Outpatient Code Editor			Quarterly	Yes	Diagnosis	Entered directly	
Present on Admission Database	In-house	IS&T	Annual	No	Diagnosis	Downloaded from abstracting system	
Birth Registrations	State	State	Annual	Yes	Diagnosis	Entered directly	
Trauma Registry	State	State	Annual	Yes	Diagnosis	Entered directly	

SAMPLE

Conducting Information Systems Inventory

- Survey all departments to conduct an inventory of the applications used.
- Commercial vs. in-house application
 - Diagnosis vs. procedure codes or both
 - Codes entered directly into application or transferred from another application
 - Interfaces
 - Frequency of updates
 - Updates included as part of maintenance contract
- Storage capability
- Field size changes

Assessing Legacy Systems

- Currently in use?
- What is it used for?
- Is the system still currently in use?
- What is the system used for?
- Does the system work satisfactorily?
- Is there another application currently available that can perform a similar function as the current system?
- Is there current staff capable of redesigning the system?
- Is the system documented fully enough to allow another designer to update the system?
- On what hardware does the system run?
- On what software platform does the system run?

Assessing Legacy Systems

- Is the system difficult to maintain or improve?
- Can the system be integrated with newer systems?
- What is the cost of updating the system?
- What is the cost of replacing the system with a new application?
- With what other systems or programs does the legacy system interface?
- What impact would a change in the legacy system have on these other systems or programs?
- With how many legacy systems is your organization contending?
- If multiple systems, what is the priority among the legacy systems?

Systems Likely To Be Affected

- Accounting systems
- Advanced Beneficiary Software
- Birth defect registries
- Billing
- Case management system
- Claims submission
- Clinical data reporting
- Clinical department systems
- Clinical protocols
- Clinical reminder systems
- Compliance checking systems
- Databases
- Decision support systems
- Disease management
- DRG grouper
- Electronic processing systems
- Encoder software
- E-prescribing
- Financial systems
- Hospital information system
- Interface engines
- Inpatient rehab facility patient assessment instrument data collection

Systems Likely To Be Affected (cont.)

- Managed care (HEDIS) reporting system
- Medical abstracting system
- Medical necessity
- Minimum data set collection system
- OASIS system
- Outpatient Code Editor
- Pharmacy systems
- POA systems
- Provider profiling
- Quality management
- Reports
- Registration and scheduling
- Research databases
- State birth registration systems
- State reporting systems
- Test ordering systems
- Utilization management

Assessing Vendor Readiness and Support

- Identify which vendor systems are affected
- Develop a master list of all vendors affected
- Contact vendors to determine whether changes to existing systems are forthcoming and when they plan to have available upgrades to support ICD-10
- Determine whether the upgrade to ICD-10 is included with your maintenance agreement
- Ask vendor to share their plans for readiness
- Make certain that the vendor intends to continue to provide support for the application
- Determine whether the application requires any special or custom developed edits
- Identify special terms in contracts to cover custom edits, if any

Provider Costs

- Personnel costs -- lost productivity, training
- Hardware and software changes
 - Commercial vs. homegrown systems
 - Vendor awareness
 - Technical issues
 - Contractual issues
 - Costs
- Data conversion
 - Decisions, decisions, decisions
 - Cost/benefit analysis regarding data uses
 - Convert?
 - Cross-walk?
 - Dual systems?



Impact of ICD-10 on Quality Measures

- Quality measures will need to be translated
- Issues related to translation
- Clinical intent of the measure
 - The specificity of ICD-10 codes may alter the definition of a quality measure
 - ICD-10 coding conventions and guidelines can affect the patient populations included or excluded from a measure
 - Can the patient population be better identified using ICD-10?
- Impact on existing trend data

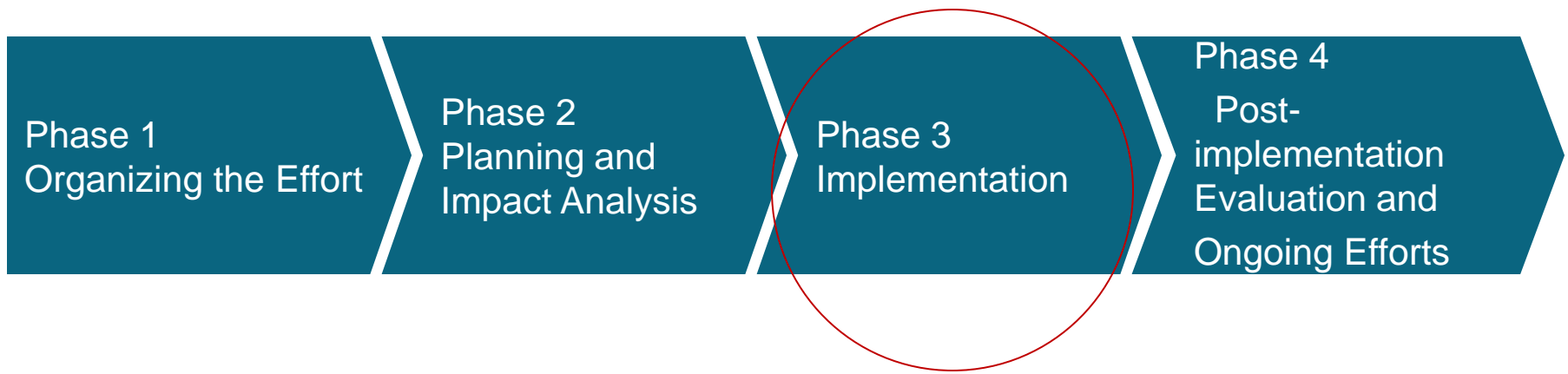
Don't Forget the Medical Staff

- Collaboration is key
 - Training
 - Documentation changes
 - ICD-10 requires more detailed documentation to specify aspects of diagnoses and procedures required for more detailed codes
- Partnering
 - Help them understand the impact
 - Include their office staff in training
 - Assist them to convert their “super bills”



Implementation Phases

Implementation is divided into four phases:



Phase 3: Implementation

- This phase will involve executing, monitoring and overseeing the implementation schedule including:
 - Outlining specific tasks and monitoring timeline for completion
 - Reviewing budget requirements
 - Developing metrics and monitoring progress
 - Routine reporting of progress towards completion
 - Implementing changes to system design and development
 - Testing and validation of system changes
 - Conducting the staff training
 - Conducting physician training to address documentation gaps

Implementation Phases

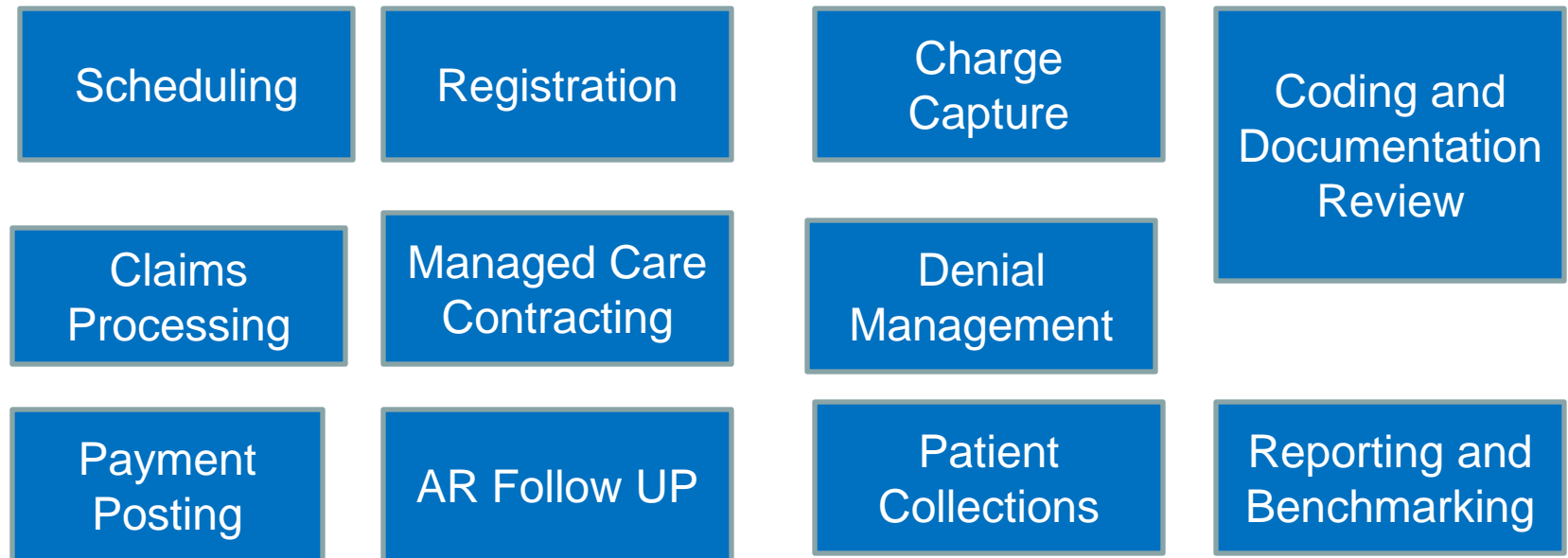
Implementation is divided into four phases:



Phase 4: Post Implementation Evaluation and Ongoing Efforts

- This phase will involve an evaluation to determine the success of the implementation, as well as fine-tuning any additional changes required including:
 - Evaluating software upgrades
 - Reviewing quality of coded data
 - Conducting additional staff training
 - Reinforcing physician documentation training
 - Assessing case mix impact

Do You Know Where ICD-9-CM Codes Are in Your Revenue Cycle Process?



Documentation

- The importance of consistent, complete documentation in the medical record cannot be overemphasized.
- Medical record documentation from any provider involved in the care and treatment of the patient may be used to support the determination of whether a condition was present on admission or not.
- Issues related to inconsistent, missing, conflicting or unclear documentation must still be resolved by the provider.
- “Documentation of causal relationship: As with all postprocedural complications, code assignment is based on the provider’s documentation of the relationship between the infection and the procedure.”

-- Official Guidelines for Coding and Reporting

Documentation Improvement Program

- Work with your medical staff
- Audit- what is the quality of your documentation today?
- Are chronic conditions described in sufficient detail to determine if there is an acute exacerbation?
- Are all significant secondary diagnoses properly documented?
- Is there a physician champion that could help?
- Will need support from administration
- Will need to redesign physician queries
- Start thinking about the greater specificity available in ICD-10-CM and ICD-10-PCS
- How will that granularity affect your payments, quality reports? Other areas?

Don't Forget the Medical Staff

- Collaboration is key
 - Documentation changes
 - More detailed documentation required to realize the benefits of ICD-10
- Partnering
 - Be proactive to minimize the impact on revenue cycle process



Case of the Missing Documentation

- Paper vs. electronic
- Hybrid
- Documentation in multiple locations
 - Difficult to find
 - Coders may need to log into multiple systems or paper
 - Easy to miss important information
 - Coders are too valuable to spend time playing detectives
- Centralized records
 - Scanning
 - Electronic health records
- Technology can be a coder's best friend (if done right)
- Enable remote chart reviews and audits
- Dealing with shortage of qualified coders

Systems Issues

- Test, test and test
- Conduct test transactions using Version 5010/ICD-10 codes with your payers and clearinghouses.
- Allow sufficient time to test transactions containing ICD-10 codes
- Allow time to make corrections and test again

Evaluate Health Plan Contract Implications

- Prepare list of largest health plans
- Review existing health plan contracts
 - Diagnosis or procedure based?
 - DRG based?
 - Other basis?
- Contact health plans and schedule meetings (can be done collectively with other providers; if possible work with state associations to schedule meetings)
- Share hospital plans for readiness and dates when hospital will be ready to begin external testing
- Host periodic follow-up meetings to share implementation progress and to validate plans for future testing

Payer Interactions

- Payers have been busy planning how they will convert their adjudication logic to ICD-10.
- Have you planned to devote time and energy to ensure their translations are accurate and you're not adversely affected?
- Is the payer using the general equivalence mappings (GEMs)?
- What methodology is the payer using for situations where it is not possible to map to ICD-10 codes because the concepts don't exist in ICD-9-CM or vice-versa?

ICD-10 MS-DRG Conversion

- Conversion goals:
 - Coded in ICD-9-CM or ICD-10, the same patient is assigned to the same MS-DRG
 - Clinically equivalent
 - Definitions manual has familiar look and feel
- Over time DRGs could be refined to take advantage of additional specificity.
- Version 28.0 (FY 2011) of the ICD-10 MS-DRGs is posted on CMS web site.
- Final version of ICD-10 MS-DRGs to be implemented on October 1, 2013 (FY 2014) will be subject to rulemaking.

What is the Impact to Reimbursement?

- Once sufficient data coded in ICD-10-CM/PCS becomes available, CMS and other payers will likely use the increased specificity of ICD-10-CM/PCS to enhance their payment models
 - Providers losing money under current payment models/ICD-9-CM due to lack of higher specificity/documentation will continue to lose money under ICD-10-CM/PCS
- Payers have not stated they will remain budget neutral
 - Payer market is very active and ahead of provider market in preparing for ICD-10-CM/PCS
 - Some payers see this as an opportunity – but in reality it is an opportunity for both provider and payer

ICD-9-CM and ICD-10-CM/PCS Mapping

- To facilitate the transition from *ICD-9-CM* to *ICD-10-CM/PCS*, mapping between the two coding systems has been developed.
- The General Equivalence Mappings (GEMs) are used to facilitate linking between the diagnosis codes in *ICD-9-CM* and the new *ICD-10-CM/PCS* code sets.
- The GEMs as well as the documentation and user's guide are available online at:
<http://www.cdc.gov/nchs/icd/icd10cm.htm#10update>

General Equivalence Mappings (GEMs)

- The GEMs are a comprehensive translation dictionary that can be used to accurately and effectively translate any ICD-9-CM-based data, including data for:
 - Tracking quality;
 - Recording morbidity/mortality;
 - Calculating reimbursement; or
 - Converting any ICD-9-CM-based application to ICD-10-CM/PCS.
- The GEMs can be useful for projects to convert large data sets.
- **They are not a substitute for learning how to use ICD-10-CM or for selecting ICD-10-CM codes.**

Concepts In ICD-10-CM That Do Not Exist In ICD-9-CM

- Underdosing of drugs
- Changed axis of classification for OB
 - Trimesters rather than whether antepartum, delivered, not delivered
- Initial encounter, subsequent encounter and late effects or sequelae (limited late effects and aftercare codes in ICD-9-CM)

What are Reimbursement Maps?

- Maps developed by CMS in response to non-Medicare industry requests for a “standard one-to-one reimbursement crosswalk,” as a temporary mechanism for mapping ICD-10-CM/PCS codes back to “reimbursement equivalent” ICD-9-CM codes.
- CMS used GEMs as a starting point based on Medicare data.
- The Reimbursement Mappings identify the best matching ICD-9-CM code that can be used for reimbursement purposes for each ICD-10 code.
- All ICD-10-CM/PCS codes are in the Reimbursement Mappings; however, all ICD-9-CM codes are not in the Reimbursement Mappings.

What are Reimbursement Maps?

- Where an ICD-10-CM/PCS code translates to more than one ICD-9-CM code, inpatient hospital frequency data was used to aid in choosing a final ICD-9-CM translation in the crosswalk.
- CMS is not using the ICD-10 Reimbursement Mappings for any purpose.
- CMS is converting own systems and applications to accept ICD-10-CM/PCS codes directly.

What about Non-HIPAA Covered Entities?

- Assessment instruments
 - OASIS
 - IRF-PAI
- Workmen's Comp
- Automobile insurance

Impact to Cash Flow

- Consider effects decrease in productivity
 - It may take longer to code due to lack of familiarity with rules and required concepts
 - Most coders know which conditions are CC/MCCs today
 - Should you budget for temps?
- When will coders switch over?
 - Should you wait until October 1, 2013?
 - Would you want them to have as much practice as possible before the codes “actually count?”
- Will you have increased physician queries
 - Yes!

Roles by Function

- **HIM/Coding**

- Participate as a member of ICD-10 Steering Committee
- Conduct ICD-10 awareness training throughout organization
- Complete information systems assessment inventory
- Identify training and budgeting issues for department
- Determine physician documentation areas requiring improvement
- Identify areas in coding and documentation requiring operational and policy changes
- Identify gaps in health record documentation

Roles by Function

- **Billing**
 - Participate as a member of ICD-10 Steering Committee
 - Attend ICD-10 awareness training sessions
 - Complete information systems assessment inventory
 - Identify training and budgeting issues for department
 - Identify areas requiring operational and policy changes

Roles by Function

- **Information Systems**

- Participate as a member of ICD-10 Steering Committee
- Attend ICD-10 awareness training sessions
- Complete information systems assessment inventory
- Assess vendor readiness and support
- Review contractual agreements with software vendors
- Ensure ICD-10 implementation is considered in all future software application purchases
- Identify training and budgeting issues for department
- Identify areas requiring operational and policy changes

Roles by Function

- **Finance**

- Participate as a member of ICD-10 Steering Committee
- Attend ICD-10 awareness training sessions
- Complete information systems assessment inventory
- Identify training and budgeting issues for department
- Identify areas requiring operational and policy changes
- Review current contractual agreements with health plans
- Analyze impact of ICD-10 on health plan agreements

Roles by Function

- **Medical Staff Liaison**
 - Participate as a member of ICD-10 Steering Committee
 - Attend ICD-10 awareness training sessions
 - Complete information systems assessment inventory
 - Identify training and budgeting issues
 - Participate in documentation improvement training

Roles by Function

- **Quality**

- Participate as a member of ICD-10 Steering Committee
- Attend ICD-10 awareness training sessions
- Complete information systems assessment inventory
- Identify training and budgeting issues for department
- Identify areas requiring operational and policy changes
- Identify areas where physician documentation improvement may be necessary
- Assess opportunities with availability of granular data for quality improvement

Regional Opportunities for Collaboration

- Training
 - State and local HIM associations
 - Local colleges
- Testing
- Documentation improvement
 - Local medical societies
- Information sharing
 - Vendor readiness
 - Health plans
- Validating conversions

Next Steps

- **Don't panic**, but don't wait to get started!
- You're **NOT** too late!



AHA Member Benefit Executive Briefing and Advisories



HIPAA Code Set Rule:
ICD-10 Implementation

An Executive Briefing



Regulatory Advisory

February 27, 2009

ADOPTION OF ICD-10-CM AND ICD-10-PCS

AT A GLANCE

The Issue: On January 15, the Secretary of the Department of Health and Human Services released a final rule modifying the medical data code set standards and adopting ICD-10-CM for coding of patient diagnoses and ICD-10-PCS for coding of hospital procedures. The final rule, available at <http://edocket.access.gpo.gov/2009/pdf/E9-743.pdf>, was published in the January 16 *Federal Register*. This rule affects health plans, health care clearinghouses and health care providers that transmit any electronic health information in connection with the Health Insurance Portability and Accountability Act (HIPAA) transaction standards. The compliance date is October 1, 2013 (Federal Fiscal Year 2014). A separate final rule, also issued January 15, calls for compliance with an updated version of current electronic transaction standards (Version 5010) on January 1, 2012.

Our Take: An update to the ICD-9-CM code set, which has been in use for almost 30 years, is long overdue, and the AHA has strongly advocated for upgrading the nation's coding system to ICD-10-CM and ICD-10-PCS. In recent years, ICD-9-CM has proven incapable of meeting the increased level of detail needed for biosurveillance, value-based purchasing and quality reporting. Coding that accurately describes the diagnoses and procedures is critical to improving health care quality. Adoption of ICD-10-CM and ICD-10-PCS will enable the study of the cost of treating drivers specific conditions, and treatment options, and will facilitate the evolution of health information technology.

Successfully transitioning to ICD-10-CM and ICD-10-PCS will require careful planning and coordination of resources. A number of provider and health plan databases and applications will be affected – every application that captures diagnosis or procedure codes are captured, stored, analyzed or reported. Health information professionals will need to become proficient in the new system. However, this change is long overdue since ICD-9-CM is no longer able to meet the pressing need for increased granularity and specificity in a hospital coding system.

with your coding management team.
information department.
transition team and appoint an ICD-10 transition team leader.
the applications affected.

are making

Chisen, RHIA, director of coding and classification, at
Arges, senior director health data management group, at

There are significant regulatory developments that affect
A six-page, in-depth examination of this issue follows.

Free Resources

Available on www.aha.org and
www.ahacentraloffice.org

AHA Resources

- **AHA ICD-10 Advisory Task Force**
- **ICD-10 audioseminar series**
- **ICD-10 CEO Briefing**
- **ICD-10 Member Regulatory Advisories**
- **ICD-10 Chapters in Faye Brown's *ICD-9-CM Coding Handbook***
- ***Coding Clinic for ICD-10 (in development)***
- ***ICD-10 Coding Handbook***
- **AHA Central Office ICD-10 Resource Center**
<http://www.ahacentraloffice.org/ICD-10>

Other ICD-10 Resources

- **Centers for Medicare & Medicaid Services (CMS)**
<http://www.cms.gov/ICD10/>
- **National Center for Health Statistics (NCHS), Centers for Disease Control and Prevention (CDC)**
<http://www.cdc.gov/nchs/about/otheract/icd9/abtcd10.htm>
- **American Health Information Management Association (AHIMA)**
www.ahima.org/icd10

Questions?

