Welcome to ICD-10 SMALL PRACTICE READINESS
Topics for Discussion

- ICD-10 Overview
  - About ICD-10
  - ICD-9 vs ICD-10

- Readiness
  - Assessment
  - Implementation
  - Staff Roles/Responsibilities
  - Training
  - Transition

- Benefits & Rewards

- Resources

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ICD-10 Overview

- **World Health Organization** developed ICD-10 in 1994
  - Later adopted by Health and Human Services (HHS) and Centers for Disease Control and Prevention (CDC)
  - ICD-10 is a provision of Health Insurance Portability and Accountability Act (HIPAA) regulations
    - HIPAA-covered entities include health care providers, payers, clearinghouses, billing services and others that must transition to ICD-10

- **Moving from ICD-9 to ICD-10** - US is the last industrialized nation to adopt ICD-10

- **ICD-9 is outdated** - limited capacity, capability, and unable to serve future needs

- **ICD-10-CM and ICD-10-PCS code sets**
  - ICD-10-CM replaces ICD-9-CM (Volumes 1 and 2)
  - ICD-10-PCS replaces ICD-9-CM (Volume 3)

About ICD-10

Why is the transition necessary?

- **ICD-9** code sets are outdated, limited and not expandable
- **ICD-9** cannot capture advances in medicine and medical technology
- **ICD-10** code sets use current medical terminology and will allow for advances in medical technology and knowledge
- **ICD-10** allows for greater detail in diagnoses and treatments

Making the transition to ICD-10 is **NOT** optional
About ICD-10

- **For services rendered on or after** October 1, 2015
  - All claims must use ICD-10 codes
  - Claims using ICD-9 codes for services rendered on or after October 1, 2015 will NOT be accepted

- **For services rendered before** October 1, 2015
  - All claims must use ICD-9 codes

- **Systems must accommodate BOTH ICD-9 and ICD-10 codes**
  - Effective with the October 1, 2015 compliance date

- **Significant Code Increase from ICD-9 to ICD-10**
  - Increasing from 14,000 to approximately 69,000 ICD-10-CM codes
  - Increasing from 3,000 to approximately 87,000 ICD-10-PCS codes
  - ICD-10 has more than nine times the codes in ICD-9
## ICD-9-CM vs ICD-10-CM

<table>
<thead>
<tr>
<th>ICD-9-CM diagnosis codes</th>
<th>ICD-10-CM diagnosis codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-5 characters in length</td>
<td>3-7 characters in length</td>
</tr>
<tr>
<td>Approximately 14,000 codes</td>
<td>Approximately 69,000 codes</td>
</tr>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; Character = alpha or numeric</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; Character = alpha</td>
</tr>
<tr>
<td>Characters 2-5 = numeric</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; Character = numeric</td>
</tr>
<tr>
<td>7&lt;sup&gt;th&lt;/sup&gt; Character extension = episode of care</td>
<td>3&lt;sup&gt;rd&lt;/sup&gt; Character = alpha or numeric</td>
</tr>
<tr>
<td>Limited space to add new codes</td>
<td>Flexibility to add new codes</td>
</tr>
<tr>
<td>Lacks detail</td>
<td>Very specific</td>
</tr>
<tr>
<td>Lacks laterality</td>
<td>Allows laterality</td>
</tr>
<tr>
<td>Difficult to analyze data and support research</td>
<td>Improved detail</td>
</tr>
<tr>
<td>Not interoperable with other industrialized nations who have adopted ICD-10</td>
<td>Interoperable with the global health care community and has been adopted in 99 countries</td>
</tr>
<tr>
<td>ICD-9-CM</td>
<td>ICD-10-CM</td>
</tr>
<tr>
<td>--------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>725 Polymyalgia Rheumatica</td>
<td>M35.3A Polymyalgia Rheumatica</td>
</tr>
<tr>
<td>714.0 Rheumatoid Arthritis</td>
<td>M05.40 Rheumatoid myopathy with RA unspecified site</td>
</tr>
<tr>
<td></td>
<td>M05.41 [1,2,9] Rheumatoid myopathy with RA, shoulder</td>
</tr>
<tr>
<td></td>
<td>M05.42 [1,2,9] Rheumatoid myopathy with RA, elbow</td>
</tr>
<tr>
<td></td>
<td>M05.43 [1,2,9] Rheumatoid myopathy with RA, wrist</td>
</tr>
<tr>
<td></td>
<td>M05.44 [1,2,9] Rheumatoid myopathy with RA, hand</td>
</tr>
<tr>
<td></td>
<td>...additional codes as well</td>
</tr>
</tbody>
</table>
# ICD-9 vs ICD-10

<table>
<thead>
<tr>
<th>ICD-9-CM codes</th>
<th>ICD-10-PCS codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-4 characters in length</td>
<td>7 alpha-numeric characters in length</td>
</tr>
<tr>
<td>Approximately 3,000 codes</td>
<td>Approximately 87,000 available codes</td>
</tr>
<tr>
<td>Based on outdated technology</td>
<td>Reflects current usage of medical terminology and devices</td>
</tr>
<tr>
<td>Limited space for adding new codes</td>
<td>Flexible for adding new codes</td>
</tr>
<tr>
<td>Lacks detail</td>
<td>Very specific</td>
</tr>
<tr>
<td>Lacks laterality</td>
<td>Enables laterality</td>
</tr>
<tr>
<td>Generic terms for body parts</td>
<td>Detailed descriptions for body parts</td>
</tr>
<tr>
<td>Lacks description of methodology and approach for procedures</td>
<td>Provide detailed descriptions of methodology and approach for procedures</td>
</tr>
<tr>
<td>Lacks precision to adequately define procedures</td>
<td>Precisely defines procedures with detail regarding body part, approach, any device used, and qualifying information</td>
</tr>
</tbody>
</table>
On October 1, 2015 ICD-10-PCS will replace ICD-9-CM Volume 3

ICD-9-CM

- 3–4 digits
- All digits are numeric
- Decimal is after second digit
- **Examples**
  - 50.11 – Closed (percutaneous) biopsy of liver [needle]

ICD-10-PCS

- 7 digits
- Each digit is either alpha or numeric
- **Examples**
  - 0FB03ZX – Excision of liver, percutaneous approach, diagnostic
Think about your business partners, your staff and areas of your office that will be impacted by ICD-10. Conducting a thorough assessment of your office is crucial.
Assessment

Have You...

- Conducted an assessment of the areas that will be impacted?
  - Technology
  - Operations
  - Staff
  - Administration

- Determined the current use of ICD-9 and composed a list of staff members who need ICD-10 resources and training?

- Evaluated the effect of ICD-10 on other planned or on-going projects?

- Upgraded IT Systems?
  - For example: EHR, Billing and Practice Management Systems
  - Systems must accommodate ICD-9 and ICD-10 codes
Where are you in the assessment phase?

- Have you assigned an ICD-10 Project Lead in your practice? ICD-10 Team?
- Have you developed your ICD-9 list and reviewed it to help assess how and where you need to make changes to be ready for ICD-10?
- Have you assessed ICD-10’s impact on your entire practice?
- Have you analyzed your office’s usage of all relevant billing codes?
- Is there an internal and external communications process in place?
- Have you factored in all hard and soft costs, plus timelines, needed for implementation?
- Is your staff, especially your in-house or external billers and coders, trained in ICD-10 and its specificity?
- When will the upgrades to your processes and systems be completed?
Implementation

Have you...

- **Established Project Management Structure/Governance?**
  - Assigned ICD-10 Project Lead and Team
  - Defined key roles, responsibilities
  - Developed the ICD-10 Project Plan (Business Processes, Systems, Budgets, Training, Testing, Timelines)
  - Updated internal policies impacted by ICD-10

- **Created a Communications Plan?**
  - Identified external partners, payers, messages and outreach tools
  - Identified internal communication procedures and outreach tools for staff

- **Established a Risk Management Plan?**
  - Identified and categorized risks of potential impact to implementation and business
  - Developed timely mitigation strategies
Implementation

Have you...

- Developed and begun implementing the communications plan?
  - Informed internal staff using ongoing communications and reminders
  - Executed and maintained external communications with trading partners, payers
  - Communicated accomplishments and setbacks related to ICD-10

- Developed and begun implementing a training plan?
  - Live classroom or one-on-one; online, on-demand
  - Toolkits and other electronic resources from CMS, medical trade associations and vendors

- Met with staff to further define ICD-10 impact and responsibilities?
  - Defined ICD-10 impact on your day-to-day roles, responsibilities
  - Defined ICD-10 impact on current processing systems

- Identified system migration, training and testing strategies?
  - Implemented business and technology modifications
  - Prepared and begun your training
  - Mapped out your internal and external testing plans
Implementation Checklist

Where are you in the implementation phase?

- Have you become ICD-10 knowledgeable? Do you know the structure, organization, and unique features of ICD-10-CM (all provider types) and ICD-10-PCS (inpatient hospital claims)?

- Does your implementation strategy include an assessment of the impact on your organization, a detailed timeline, budget, resources, and task owners?

- Have you connected with both existing and new vendors (including clearinghouses) to ensure they are meeting the functional needs of your ICD-10 implementation? (Analyzing interfaces, dependencies, etc.)

- Do you understand how your system software and business processes will be impacted by ICD-10 (and 5010, if not already implemented)?

- Are your systems ready, or almost ready for testing?

- Have you used assessment tools to identify areas of strength/weakness in medical terminology and medical record documentation needed in your organization?

- Have you used a variety of code mapping/crosswalking tools to help you identify the correct ICD-10 codes?

Examples of Staff Roles and Responsibilities

- **Reception/Front Desk Personnel**
  - Implement new forms and be aware of operational changes related to ICD-10

- **Clinical Area/Nurses’ Station Personnel**
  - Administer new policies, new forms and new superbills
  - Increase coding specificity knowledge and input from physicians for documentation

- **Lab, Imaging Center Personnel**
  - Process new superbills
  - Increase coding specificity to complete orders correctly

- **Coding/Billing Office Personnel**
  - Understand and implement health plan/payer policies and procedures
  - Acquire training in ICD-10 coding
  - Increase knowledge of anatomy and medical terminology as required

- **Practice Manager’s Office Personnel**
  - Review and update office policies and procedures tied to diagnosis or procedure codes
  - Evaluate and amend all vendor and payer contracts as applicable
  - Prepare budgets for all ICD-10 related changes (software, training, new forms, etc.)
  - Develop and implement an ICD-10 training plan for all staff members
Training

- **Physician - Provider Training**
  - Assess your documentation skills
  - Develop training timeline
  - Determine and acquire ideal ICD-10 learning tools for yourself

- **Coder Training**
  - Physician practice coders should learn ICD-10 diagnosis coding only
  - Hospital coders should learn both ICD-10-CM (diagnosis) and ICD-10-PCS (inpatient procedure) coding

- **Staff Training**
  - Consider cost and resources
  - Define who needs training and why
  - Identify which learning and training environments are available, best for your staff
Transition

Have you...

- Determined the anticipated effect of coding accuracy during the transition and how long it will take for coding staff to achieve a level of proficiency in ICD-10 comparable to that with ICD-9?
- Identified potential problems and implemented strategies aimed at reducing the potential negative effects?
- Identified major areas of change between ICD-9 and ICD-10 that impact data comparison and reporting for both internally and externally reported data?
- Set up a system to monitor reimbursements and what action to take if cash flows are delayed?
- Determined whether ICD-10 support is included in installed software or whether a future update is necessary to support ICD-10? Are any costs involved with the support or updates?
- Developed a process to quickly identify ICD-10-related denials and appeal them in a comprehensive, timely and fact-driven way?
- Considered hiring a clearinghouse, billing service, clinical documentation specialist or other outside resource to help with the transition?
Important Reminders

- While clearinghouses can help, they cannot provide the same level of support for the ICD-10 transition as they did for the Version 5010 upgrade. (5010 was IT-driven only; ICD-10 is both business process and IT-driven)
- ICD-10 codes describe a medical diagnosis or procedure and must be selected by the provider and not the clearinghouse, coder or biller.
- Expect audits to focus on clinical documentation to determine if it supports the specificity of ICD-10 codes.
- Keep in mind that covered entities are not to use the ICD-10 code in production (outside of a testing environment) prior to October 1, 2015.

CMS Recommends

- Regular documentation audits after ICD-10 implementation to make sure your clinical documentation supports your ICD-10 coding.
Benefits of ICD-10

- ICD-10 will play a critical role in aligning the definitions of services and care rendered.

- ICD-10 will help identify fraud and abuse.
  - More effective detection and investigation of potential fraud or abuse and proof of intentional fraud.
  - Modify edits to support correct coding with greater specificity to help prevent fraud and abuse.

- ICD-10 is easier and more flexible for future updates.

- ICD-10 enhances coding accuracy and specificity to classify anatomic site, etiology, and severity.

- ICD-10 provides better analyses for disease patterns and response to public health outbreaks.

Rewards of Compliance with ICD-10

- Continued cash flows with claims processed and paid
- Financial statement stability, credit worthiness
- Increased efficiencies in administrative, billing and reimbursement processes
- Reduced coding errors due to increased specificity
- Improvement in patient care management
- Improved health care IT system, return on investment and increased productivity
- Increased capability to prevent and detect health care fraud and abuse

ICD-10 Resources

Centers for Medicare & Medicaid Services (CMS)
- CMS ICD-10 Main Page
  http://www.cms.gov/ICD10
- CMS Overview
  http://www.cms.gov/Medicare/Coding/ICD10/Statute_Regulations.html
- CMS ICD-10 Implementation Planning
  http://www.cms.gov/Medicare/Coding/ICD10/ProviderResources.html
- HHS, CMS ICD-10 Final Rule and October 1, 2015 Compliance Date Announcement

World Health Organization (WHO) ICD-10 Page
http://www.who.int/classifications/icd/en/

West Virginia Resources
- WV Molina Medicaid Solutions ICD-10 Transition Website
  https://www.wvmmis.com/SitePages/ICD-10%20Transition.aspx
Contact

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