


ICD-10 It's a TEAM EFFORT!

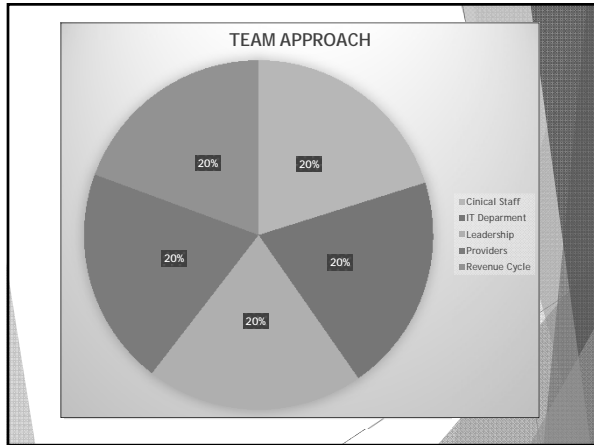
**The Biggest Change in Healthcare
in 30 years!**

President TrainRX
Lisa Asbell, RN CHP
ICD 10 Transition Specialist
www.trainrx.net


Purpose



1. *To understand the true impact to your facility in ALL areas of the organization.*
2. *To understand the need to develop a program for engaging all providers*



Why a Mandatory New Coding System for Diagnoses and Inpatient Procedures?



- ▶ To make room for new diagnoses - many categories are full
- ▶ To replace obsolete terms and classifications
- ▶ To provide the specificity and description needed for EMRs, Meaningful Use, quality measurement, etc.
- ▶ To catch up with the other 151 countries using ICD-10

CPT for outpatient procedures is not affected

ICD-10 It's not ALL BAD!

- ▶ More patient information can be recorded, especially in the EMR environment
- ▶ Better describe new diseases
- ▶ Increased use of automated coding tools
- ▶ Reduced requests for additional information
- ▶ Improved tracking and reporting for public health surveillance and risk management
- ▶ Increased information that can justify quality and outcomes assessment
- ▶ Asthma and metal prostheses as examples

Assess The IMPACT

- ▶ Every area is affected!
- ▶ IT Systems and staff
- ▶ Revenue Cycle Systems and staff
- ▶ Clinical Staff - PROVIDERS #1 Documentation
- ▶ Admissions
- ▶ Referrals
- ▶ Vendors/Payers
- ▶ Financial Resources

Outside Vendor will charge about 10-20k depending on the size of your organization but IT IS A MUST!

Financial Impact!

400 Beds Plus		100-400 Beds		Fewer Than 100 Beds	
Number of Entities	Organizational Cost	Number of Entities	Organizational Cost	Number of Entities	Organizational Cost
440	\$2.5-\$5M	2,201	\$500,000-\$5M	2,267	\$100-\$250,000

Source for bed size: American Hospital Association Hospital Statistics, 2003 edition; community hospitals only.

Impact on Information Systems

- ▶ Examine capital expenditures to support implementation of ICD-10:
 - ▶ New or upgraded information system hardware
 - ▶ New software
 - ▶ Training costs for new coders and other personnel
 - ▶ Hiring of additional information systems personnel to accomplish the implementation
 - ▶ Productivity cost for current staff learning curve- STRESS ON THE IT DEPT!

Impact on Information Systems

- ▶ All electronic transactions that require a diagnosis and/or procedure code will need to be reviewed (and possibly changed).
- ▶ Areas that will need to be reviewed:

- Billing Systems
- Decision Support Systems
- Clinical Systems
- Encoding Software
- Health record abstracting systems
- Aggregate data reporting systems
- Utilization and quality management systems
- Case-mix systems
- Accounting systems
- Clinical protocols
- Test-ordering systems
- Clinical reminder systems
- Performance measurement systems
- Medical necessity software
- Benefits determination systems

Software Changes Required

- ▶ Any field that requires a code number will need to accommodate up to *seven characters rather than five digits*.
- ▶ Any field that requires a code number will need to accept an *alphanumeric code rather than just a numeric code* (this may not be an issue because of the V codes and E codes in ICD-9-CM).
- ▶ Dual Coding will be a MUST

Software Changes Required

- ▶ The size of data fields that accommodate the descriptions of the codes may have to be reviewed. Code titles are much more descriptive and, therefore, longer in ICD-10-CM than in ICD-9-CM.
- ▶ Patient intake forms, referrals, everything paper that has an ICD 9 code

Impact on Reimbursement

- ▶ It is anticipated that payments from third-party payers may be delayed until coders and billing personnel are fully trained on the system.
- ▶ Claims denials or rejections may increase owing to inaccurate coding, reporting, and processing.
- ▶ Loss of Productivity

Impact on Human Resources -CODERS

- ▶ With the adoption of the new system, qualified coding professionals will be in demand, and retention of trained coders will be essential. (Some will retire, some will quit, there will be a shortage)
- ▶ Facilities will need to reevaluate salary structures and benefits packages to make sure that they are competitive with other healthcare organizations in the area.

Impact on Human Resources -Revenue Cycle

- ▶ With the adoption of the new system,
- ▶ Stress will be HIGH
- ▶ Denied Claims will be an issue
- ▶ Perhaps requiring overtime and decreased vacation options during the 3 month period surrounding ICD 10
- ▶ Additional funding maybe necessary because of payer issues /transmission issues/denials

Impact on Human Resources -Clinical Staff

- ▶ With the adoption of the new system.
- ▶ New documentation requirements
- ▶ New training requiring additional hours and stress
- ▶ Perhaps requiring overtime and decreased vacation options during the 3 month period surrounding ICD 10
- ▶ *****SUPPORT STAFF WITH INTAKE FORMS!**

Impact on Human Resources -Providers

- ▶ With the adoption of the new system.
- ▶ New documentation requirements
- ▶ New training requiring additional hours and stress (always stressful engaging providers)
- ▶ Perhaps requiring overtime and decreased vacation options during the 3 month period surrounding ICD 10
- ▶ **This is CHANGE MANAGEMENT!**
- ▶ **Provider Engagement is CRUCIAL**

How many of your Providers look like this?

There is a code for that....

I10- Hypertension!



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Provider Engagement is CRUCIAL How Much Documentation Does ICD-10 Require?

ICD-10 is designed to capture in a few alphanumeric characters the following:


- Laterality
- Localization
- Comorbidities
- Manifestations
- Etiology/Causation
- Stage of treatment
- Sequelae
- Degree of functional impairment
- Procedure
- Approach
- Device used
- And more information not captured in ICD-9

ICD-10 has
140,000
Codes?

What's
ICD-10?



What Does This Mean for Physicians?



- ▶ Diagnosis codes establish CPT codes; we must get ICD-10 codes right for proper and timely payment
- ▶ Our staffs won't be working with 140,000 codes
- ▶ They will be working mostly with a handful of codes that are our specialty's bread and butter
- ▶ We will have to document up to a high standard of specificity
 - ▶ Currently only 37% of charts are documented completely enough to "code all the way out" in ICD-10
 - ▶ Failure to code fully can mean:
 - ▶ Queries
 - ▶ Delays in payment
 - ▶ Denials
 - ▶ Quality Audits

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"Unspecified" = "Unpaid"

"Physicians may be ICD-10 compliant, but if they abuse the "other" or "unspecified" codes, payment will not occur if a more specific alternative exists."

David Winkler
Michigan Blue Cross' Director of Technical Program Management

Justifying medically necessary procedures and services depends on specificity of diagnoses coding!


What do Providers think?

- ▶ Many are upset.... MAD
- ▶ Most think it's unnecessary
- ▶ Most don't know the benefits (quicker reimbursement)
- ▶ Most relate it to Obama Care (not true)
- ▶ Most think it's just big brother collecting more information
- ▶ Most are clueless about the cost
- ▶ Many think it will go away all together

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Impact on Community (independent) providers.... Talk To The Docs!

- ▶ Doc talk "do's and don'ts"
- ▶ Promote benefits of ICD-10
- ▶ Provide real world tools




If all else fails, show them the really fun codes they'll miss out on if they don't go ICD-10!

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W22.09ZD

Striking against other stationary object, Subsequent Encounter




Two fish were swimming along and ran into a cement wall.

One looked at the other and said, "Dam."

Ok, we don't really treat fish...
(Unless they have really good insurance!)

W22.09ZD
Striking against other stationary object,
Subsequent Encounter

Reimbursement Benefits



- ▶ Reduced coding error rates = reduced denials
- ▶ Describing higher complexity justifies higher complexity procedure/service payment
- ▶ Better data with which to justify better payment for physicians and pay-for-performance metrics
- ▶ Levels the insurance company tactics "playing field"

Why Help Private Practice?

- ▶ They need 6 months of cash flow reserve!
- ▶ Don't have the human capital and resources like your hospital does
- ▶ 10-15% of private practices will not survive the ICD 10 transition.
- ▶ They have no real clue of the impact and cost!
- ▶ There are only a handful of ICD 10 transition experts in the Country.
- ▶ This is a great chance for you to bring knowledge and build relationships with providers in your community.
- ▶ If the providers fail, the hospitals fail!
- ▶ Educating your providers on ICD 10 is WIN-WIN-WIN

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Where are We now?


- ▶ Over 20% of small Health Systems Have NOT STARTED.
- ▶ 50% are behind and struggling
- ▶ 90% are worried about community providers
- ▶ They are over 12-18 months behind.
- ▶ Under 100 bed and CAH's in the worst shape.
- ▶ Expected that 5-10% of CAH's will close their doors because of ICD 10
- ▶ Hospitals NEED to help their providers "GET IT"

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Review of Critical Success Factors

- ▶ Management commitment
- ▶ Team Approach
- ▶ Thorough impact assessment
- ▶ Adequate planning
- ▶ Trained staff
- ▶ Communication
- ▶ Timely decision making
- ▶ Involving Providers

Questions?



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Contact info:

Lisa Asbell RN ICD 10

Transition Specialist

727 502 7427

www.trainrx.net

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