

ICD-10 Yesterday, Today, and Tomorrow

AMA ADVOCACY CONFERENCE
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ICD-10 History

- January 2009 – ICD-10 Requirement Announced in Final Rule
 - Implementation Date - Oct 1, 2013 services
- Mar 2012 – HHS announces possible delay
- Apr 2012 – NPRM proposes delay to Oct 2014
- Sept 2012 – Final rule grants delay to Oct 2014
- Feb 2014 – CMS Maintains No Further Delay

ICD-10 Is A HIPAA Standard

- Required for use by all health plans, clearinghouses, and providers using electronic transactions
- As with all HIPAA standards (like other transactions, security, privacy, NPI, etc.) there is no funding provided by the Federal government for implementation
- Part of the AMA advocacy against ICD-10 recognizes that this is an unfunded mandate on physicians

A Lot of Things Are Happening Besides ICD-10

- With MU for EHRs, PQRS, eprescribing, CPC initiatives, etc; there is lots to keep track of for the next several years
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- **CMS's "eHealth Programs Interactive Timeline"** (<http://cms.gov/apps/interactive-timeline/>)
- **36 EHR Reporting Milestones**
- **22 Quality Measurement Milestones**
- **7 Administrative Simplification Milestones**
- **6 Patient Outcomes/Payment Reforms Milestones**

The 2014 Nachimson Advisors Study on the Cost of ICD-10 for Physicians

- **First study done in 2008 – pre-regulation, no actual experience. Based on projections from actual practices.**
- **Now updated for 2014 – includes factors such as:**
 - Overlap with MU
 - Actual costs for assessments and training
 - Assessment experience
 - New and necessary tasks such as testing
 - Payment impacts based on current incomes and even CMS projections of disruption

Nachimson Advisors Study Results

- **Hopefully you all read the study cover to cover ☺**
- **New projected cost figures for practices:**

	<u>2008 Estimated Costs</u>	<u>2014 Estimated Costs</u>
S	\$83,290	\$56,639 - \$226,105
M	\$285,195	\$213,364 - \$824,735
L	\$ 2,728,780	\$2,017,151 - \$8,018,364

Nachimson Advisors Study Results

- **Key Factors Contributing to Costs**
 - Software upgrades if not included in contracts
 - Testing
 - Productivity Losses
 - Payment disruptions (greater if implementation does not go well).

The Current Situation

- **AMA Continues to Advocate for a Delay**
- **CMS insists there will be no delay**
- **You have to prepare for ICD-10, or risk payment disruptions**

It's Now March 2014 Focus and Prioritize

- **Throw out the old guidance**
- **You have to understand the critical impacts of the ICD-10 implementation**
- **You have to focus only on the critical steps**
- **You have to prioritize based on your practice!**

Types of Patients

- ▶ **What are the types of conditions you deal with the most? (for all providers)?**
 - Based on “groups” of ICD-9 codes, e.g.
 - Diabetics
 - Broken bones
 - Cardiac arrest
- ▶ **Basic demographics, comorbidities**

Where Does Documentation Originate

- **In your situation –**
 - Do you create all or most of your documentation?
 - Do you depend on others for much of the documentation – referrals, etc.?
 - How do you create, receive, and store the documentation?
 - Who is responsible for it?

What Are the Documentation Impacts of ICD-10?

- **For providers, this is the crux of the issue**
- **If you get the documentation right, the rest of the ICD-10 stuff is a breeze.**
- **And, there are other benefits -**
 - Audit protection
 - Improved quality measures
 - Efficiency in patient care
 - Better results for prior authorizations of care
 - Maybe quicker and better payments

Example – Diabetes, looking at the codes

- Note that you will need to document if this is Type 1, Type 2, drug or chemical induced, or due to underlying condition
- Note you will have to document with or without coma
- Note you will have to document the manifestation of the disease (e.g. ketoacidosis, ophthalmic)
- Note use of insulin

Documentation Sources

- ▶ For each condition, once you understand the necessary documentation, figure out how to get it.
- ▶ Based on your current documentation flow –
 - EHR screens
 - Referral forms
 - Consults
 - Orders
 - Standardized forms

What are your vendors doing?

- **Vendors are there to assist you**
- **They will not be able to give you the right documentation if you don't know how to ask for it.**
- **They can help you collect the information and use it for coding.**
- **They are not responsible for the accuracy of the code selection – you are!**

Inventory Your Vendors

- **Do you know who your vendors are?**
- **Do you have a contact person?**
- **Do you know the terms of your contract?**
 - **Is the ICD-10 update free or will it cost you?**
 - **Do you have the latest version?**
- **When will your ICD-10 software be delivered?**
- **What will it do?**
- **What training is available?**
- **What support is available?**

What are your health plans doing

- **All health plans are obligated to accept ICD-10 codes on transactions for services on and after Oct 1,2014**
- **They are going thru a major implementation project, just as providers are.**
- **They are struggling with updating policies and systems, communications, dealing with vendors, etc.**
- **However, what they do has a major impact on you!**

Health Plan Communications

- **You need to find out what your health plans are doing!**
- **Prioritize – from your most important health plans to the least important.**
- **You must make the contact; reach out either in person or at least look at their web sites and provider bulletins for ICD-10 information**

Health Plan Questions

- Will they be ready for ICD-10 on Oct 1?
- What are their policy changes for ICD-10?
- When and how can I test?
- Are there any impacts on members?
- Have the members been informed?

How Can I Test?

- **Why test?**
 - Potentially big changes in claims processing results
 - Need to know what they will be prior to Oct 1, 2014
 - Need to know you are doing coding and documentation correctly

Testing

- **First, make sure you are doing things right**
 - Testing scenarios – construct a few “fake” patients with conditions, and run them through your processes
 - ✦ Did you document everything you needed to?
 - ✦ Could you come up with an ICD-10 code that seemed reasonable
 - ✦ Could your EHR/PM handle the information and create a valid claim?

Testing

- ▶ **How Do You Know Your Coding is Correct?**
 - This is a key factor
 - Independent audits (may be expensive)
 - Use data from the National Pilot Program and compare your results
 - Work with other providers and share coding
 - It helps to know the “right” answer first and then see if you can get to it!

External (end to end testing)

- **This is testing with your health plans**
- **Means you use your data to create a medical record, code it, and create a claim.**
- **You then submit the claim to the health plan (perhaps using your clearinghouse)**
- **Health plan receives the claim, verifies it, and processes it**
- **Health plan returns the processed results to you in a test remittance advice**
- **You process the remittance advice**

External testing

- **This is really the only way to know what your revenue might look like post Oct 1**
- **Gives you an idea of health plan edits, payment schedules, requests for additional information, etc.**
- **Lets you know if what you expected to get paid is indeed what you will get paid**

External Testing

- **Note –**
 - Not every health plan will test with every provider
 - Timing is unknown
 - Medicare announced their testing week, but it is not end to end testing; it only is testing whether Medicare can receive a claim; no claims processing
 - Medicare just announced they will do end to end testing with a “select sample” – more details to come

Critical Questions for Oct 1, 2014 And After

- ▶ **Is everything still working?**
 - For services prior to Oct 1, 2014 – ICD-9
 - For services Oct 1, 2014 and after – ICD-10
- ▶ **Is everything working as expected?**
- ▶ **Is everything working satisfactorily?**
- ▶ **These are three critical, and different, questions.**

Action Steps

- **Determine your key metrics in each area**
- **Examine current reporting systems to determine what you already know**
- **Measure current status (under ICD-9), status under test conditions, and then measure under ICD-10**
- **Set up reporting channels**
- **Be prepared to adjust as fast as possible**
- **Have contingency plans developed prior to 10/1/2014**

Questions?

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