

# ICD-10 Taskforce Bulletin

A Newsletter from the NCHICA ICD-10 Taskforce

May 2011

## Mitigating the Risks of ICD-10 *What Can Providers Do to be Prepared for Implementing ICD-10?*

The implementation of ICD-10 will bring several challenges to hospitals, physician practices, health plans, vendors and many others. To meet these challenges, you must analyze how the transition is going to impact your business, assess the necessary changes, and plan for the financial impact.

The first step to ICD-10 is the transition to the 5010 version of the HIPAA transactions set by January 1, 2012. The 5010 transactions enable the use of the ICD-10 code set. Discussions with trading partners and software vendors to determine readiness should have started last year, with external testing beginning on January 1, 2011. Failure to meet the 5010 conversion deadline will cause delays in effectively implementing ICD-10.

Business process changes to assign new codes at the most efficient point, staff training, communication among physicians, hospitals and health plans, and updates to forms and systems are only a few of the ICD-10 transition challenges. The organization should develop a detailed assessment with thoughtful planning for the sequencing of events. Key critical components should be assigned to appropriate people within your organization. The ICD-10 Implementation Team should have regular meetings to foster effective communication.

The financial impact to the organization could be significant. The Medical Group Management Association estimates ICD-10 implementation cost for a three-physician practice to be \$83K, with as many as four fewer patients a day being seen. Careful planning will aid in keeping the cost at the lowest level possible. To financially plan for the transition, you should ask: What is the cost to train the staff and physicians? What is the cost to modify processes and forms? What is the cost of the necessary software changes? What if a significant number of claims are denied post October 1, 2013? The answers will help the organization plan for potential expense increases without corresponding revenue.

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**RED ALERT  
COUNTDOWN  
884 Days**

*(As of May 1, 2011)*

### [AAPC ICD-10 Boot Camp](#)

May 5, 2011  
Winston-Salem, NC

### [World Congress Leadership Summit on ICD-10 Implementation](#)

May 23-24, 2011  
Vienna, VA

### [AHIMA Academy for ICD- 10-CM/PCS](#)

June 1-3, 2011  
Raleigh, NC

### [AHEC ICD-10-CM Training & Implementation Issues for the Physician Office](#)

- June 1, 2011, Winston-Salem, NC
- June 16, 2011, Rocky Mount, NC
- June 30, 2011, Raleigh, NC
- July 20, 2011, Charlotte, NC

### [NCHIMA ICD-10 Summit](#)

June 23, 2011  
Raleigh, NC

### [AAPC ICD-10 Boot Camp](#)

July 21, 2011  
Greensboro, NC

*Content provided by the  
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The risks can be reduced if the organization plans for the changes in a methodical manner, communicates effectively with internal and external team members, and prepares for the financial impact through a careful risk assessment. Asking questions and staying informed are keys to implementation success. Visit the CMS website at <https://www.cms.gov/ICD10> and the NCHICA website at <http://www.nchica.org/HIPAAResources/icd10.htm> often for updates.

## ICD-10 Implementation Assessment Questions

- Is your practice management, software vendor and/or clearinghouse 5010 or ICD-10 compliant? Can your vendor provide written proof of compliance?
- How will the new ICD-10 codes be available in the hospital or practice management system – manual entry or download from vendor?
- Are hardware upgrades necessary?
- Will there be an additional fee for providing an ICD-10 download? When will it be available and how long will it take to download?
- What is the process for handling ICD-9 claims after October 1, 2013?
- What are the top ICD-9 codes and the corresponding ICD-10 codes for the practice/specialty?
- Is there an Implementation Timeline?
- Is there an appointed ICD-10 transition team leader to monitor readiness?
- What is the most efficient and productive way to educate the staff and physicians?
- Who is responsible for updating forms with new diagnosis codes?
- Who will communicate updates to the organization?
- How will the communication be structured to gain maximum distribution?
- Does the organization participate in a research study or registry? If so, how will reporting change?
- Does the organization have worker's compensation claims? If so, will the state's claims administrator be ICD-10 ready?
- Who will monitor claim denials after 10/1/2013?
- Will there be reporting mechanisms in place to enable claim payment continuity?
- Will there be resources within the vendor's organization to alert providers of abnormal payment or denial activity?
- Will more staff resources be necessary to process denials?
- How will diagnosis comparison reports across 2012 and 2013 be integrated?

For additional tips, please see the CMS publication, ***Talking to Your Vendors About ICD-10 and Version 5010: Tips for Medical Practices*** at:

<http://www.cms.gov/ICD10/Downloads/ICD10TalkingtoVendorforMedicalPractices20100409.pdf>

For more information about ICD-10 and the NCHICA ICD-10 Taskforce, visit

<http://www.nchica.org/HIPAAResources/icd10.htm>.