Minimize ICD-10's Impact

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Conduct a high-level analysis to face challenges and pull organizational resources.
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Recently, I testified in front of the National Committee for Health Care Vital Statistics (NCHVS) about the impact of ICD-10-CM on medical practices, outpatient hospital facilities, health plans, etc. During the meeting, the NCHVS heard from various organizations involved in ICD-10 implementation. One thing everyone agreed on was that health care organizations, providers, and health plans must begin the implementation process *now*, or the impact of ICD-10 will be devastating in 2013. How do you protect your practice, department, and business processes from this ill-fated premonition? Before all else, conduct an impact analysis.

An impact analysis allows you to think about all the ways you currently use ICD-9-CM—in your practice management systems, electronic medical records (EMRs), coding and submission of claims, quality reporting, clinical reporting, claims adjudication, and so on—and determine which business and clinical areas will be impacted most by the transition from ICD-9 to ICD-10. It's also a good tool for auditing your current systems for ICD-10 compatibility.

IT Begins
Begin your impact analysis by conducting a comprehensive audit of all data systems that currently use ICD-9-CM. The following questions will get you started on the right path:

1. How are ICD-9-CM codes used in each information system?

2. What is the use of vendor software applications versus internally developed system interfaces or customizations and other affected software, like Charge Description Masters, practice management software, financial software, etc.?

3. How are codes entered? Are they manually entered or imported from another system or software?

4. What is the current character length specification in the system? (The 5010 conversion should resolve this problem.)

5. Can the system handle alpha-numeric? (This is a must.)

6. Can the codes, code descriptions, and supported documentation be obtained in a machine-readable format?

7. Does the code format include a decimal?

8. Can the current system house both ICD-9-CM and ICD-10 codes simultaneously; and can the vendor or internal information technology (IT) personnel map forward from ICD-9 to ICD-10 and back again?

9. How is the quality of data checked?

10. How do the systems interface (if applicable)?

Once you have performed a review of your IT system(s), map the electronic data flow to inventory all reports containing ICD-9-CM codes. Consider how long ICD-9-CM will be accessible, what staff will need to access ICD-9-CM, and how long the legacy data needs to be available. Perform a detailed analysis of changes that need to be implemented for the transition to ICD-10. A simple spreadsheet will help you to accomplish this task.

At this point, you should identify which forms and reports will need to be reformatted or will require revision. Your IT staff also will need to evaluate the systems' storage capacity to see if it can support both ICD-9-CM and ICD-10 during the transition period. If not, its capacity will need to be increased.

Contact system vendors during this phase to ensure both the legacy and the new coding system will be supported, and for how long.

Factor In Costs
This is an ideal time to identify costs for upgrading software and storage capacity, as well as contract issues with the vendor. This will help budget the system conversion over the next several years.

Your organization may need to contact software and hardware vendors during the analysis phase to identify potential budget-influencing costs for:

If your organization has not already converted to an EHR or EMR, consider doing so during the ICD-10 transition.

- Hardware
- Software
- System upgrades
- Customization
- Staffing and overtime

When we speak of customization, we speak of potentially costly modifications to current software that may include:

- Alphanumeric structure
- Longer code descriptors
- Field size expansion
- Edit and logic changes
- Use of decimals
- Table structure modification
- System interfaces
- Expansion of flat files containing diagnosis codes
- Redefinition of code values and their interpretation

Other systems and applications that use coding data which must be analyzed include those for:

- EMRs and electronic health records (EHRs)
- Billing
- Clinical
- Code look-up
- Encoding
- Computer-assisted coding
- Medical record abstraction
- Scheduling and registration
- Accounting
- Quality management and utilization
- Clinical protocols
- Test ordering
- Script writing
- Clinical reminder

If your organization has not already converted to an EHR or EMR, consider doing so during the ICD-10 transition. If your coding process currently uses a manual system for coding (code books), think about switching to electronic tools such as a code look-up program or encoder when ICD-10 is implemented. Keep in mind: This may result in additional software and hardware expenses, and additional time and personnel will need to be factored into the schedule.

You might also want to include the cost for additional chart audits to make sure documentation will support diagnosis coding for ICD-10.

Compliance and Quality

In the clinical area, documentation will have the largest impact on ICD-10 implementation success. Since ICD-10 is more robust and has up to seven digits of specificity, you should verify that your current documentation in the medical record can support ICD-10 on the go-live date. By analyzing the documentation and conducting medical record documentation audits, impact can be assessed.

Your organization should use an experienced auditor(s) to conduct the audits either internally or externally. Evaluate random samples and review various types of medical records during these audits. For example, in a surgeon's practice, evaluation and management (E/M) services, surgical procedures, and other diagnostic services should be reviewed. Make sure the current documentation adequately supports ICD-10. A clinical documentation assessment tool should be utilized.

Take an in-depth look at the current level of documentation in the medical record. Review the lack of specificity in the documentation and analyze how to begin the improvement process. Based on your practice's specialty, review the most common diagnosis codes you use and their frequency.

Most practice management billing software is capable of running a frequency report of the most used proce-

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dures and diagnosis codes, which is helpful for reviewing diagnosis code utilization in the practice.

Education and Training

The key issue when assessing coding and billing during the impact analysis is education and training on the new ICD-10 code set. The organization must first identify who needs to be trained, how many hours of training will be required, and the most beneficial method of training.

Start by identifying who will require training. First and foremost, the physicians, nurse practitioners (NPs), physician assistants (PAs), etc. will need to be trained. You might also consider nurses and medical assistants (MAs) who sometimes use diagnosis codes. Of course, the coders, billers, and managers will need training, as well as the front office and ancillary staff.

Next, determine how much ICD-10 training will be necessary for the various personnel, how many days of training will be required, what revenue will be lost if the physicians and non-physician practitioners (NPPs) need to be out of the office for training, and how productivity will be affected. These are all valid concerns which need to be part of your impact analysis.

Finance

Since reimbursement is tied to procedural and diagnosis coding, don't forget to consider the financial impact on your business. For example, after the implementation date, if the insurance carrier cannot yet accept ICD-10 codes, it is likely the medical practice will not be paid. If your organization is not ready and cannot transmit claims, this will impact the financial area of

the practice, as well. Review the current reporting for procedures and services using ICD-9-CM codes and analyze them in comparison to ICD-10 codes. Professional services are paid based on procedure codes; however, diagnosis codes support medical necessity, which is the driving factor in payment for all medical procedures and services.

One final area that may be affected by the ICD-10 transition are reports tied to diagnosis codes, such as the accounts receivable analysis, pending claims reports, analysis by provider type, collection reports, etc. Your impact analysis should include an assessment as to what reports are impacted by ICD-9-CM currently and what impact ICD-10 will have on them.

An impact analysis will deepen your organization's understanding of the challenges you face with implementation. Through a high-level impact analysis, your project team will be able to predetermine the organizational resources that will need to be allocated to the project. This assessment approach will assist in staff planning and organizing the ICD-10 budget prior to embarking on this multi-year project. The information collected during the analysis will serve as collateral for subsequent phases to help ensure that nothing slips through the cracks. CE

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