Nearly 20 years after it was first proposed, the International Classification of Diseases, 10th Revision, Clinical Modification (ICD-10-CM) for diagnosis coding and the International Classification of Diseases, 10th Revision, Procedural Coding System (ICD-10-PCS) for inpatient hospital procedure coding is on the healthcare industry’s doorstep, poised to go live on October 1, 2015. Many take it as a blessing that the deadline is still months away; the original timeline had the changeover occurring in October 2013. But an outcry from trade groups and associations, including the American Medical Association (AMA), convinced the Department of Health and Human Services (HHS) to postpone ICD-10’s arrival.

Clearly, providers required more time to prepare for the new coding standard. After all, it’s a highly ambitious undertaking that has never before been accomplished by the U.S. healthcare industry. The 14,000 ICD-9 codes currently in play are being replaced with approximately 69,000 new codes, requiring clinicians to document with much greater specificity.

If not done correctly, coding presents substantial, concurrent risks to cash flow and patient care reimbursements representing the potential loss of hundreds or thousands of dollars monthly for healthcare organizations. Providers’ consternation over the new standard is valid: According to the American Medical Association, only 5 percent of ICD-10 codes match exactly to ICD-9 codes and 24 percent of the ICD-9 codes match exactly to an ICD-10 code. When crosswalking from ICD-9 to ICD-10, there are one-to-one “approximate” matches for 49 percent of the codes. Another nearly 19 percent of the matches are one-to-one with multiple choices, requiring further review to determine the appropriate approximate match. The simpler approach to take is coding directly in ICD-10 instead of putting efforts into further review to determine the proper crosswalked code.

It’s also coming to light that healthcare providers remain fairly unprepared for the conversion. In fact, approximately three out of four providers who responded to the “ICD-10 Snapshot Study” conducted by the Aloft Group are still 25 percent or less completed in their ICD-10 implementation process, and 33 percent reported that they have not yet even started the process. Seventy-one percent of providers indicated that a lack of time was the biggest thing hindering their progress, however, just more than half expressed confidence that they would still be prepared for the deadline.

So even with the extension, will healthcare organizations be ready for the conversion? They certainly can be if preparation starts now to ensure hospitals don’t encounter a revenue slump at the hands of the new code set. This white paper will detail the top three considerations—technology, education and change management—that providers can employ to successfully transition to ICD-10.
TOP THREE CONSIDERATIONS FOR THE TRANSITION TO ICD-10

1. **The transition to ICD-10 is set to go live OCTOBER 1, 2015**
   - More than 40% of providers have not started to prepare for ICD-10.

   - The transition will be **COSTLY**:
     - ICD-10 will cost the average physician $10,000
     - And many vendors are charging nearly $10,000 to update software for ICD-10 compliance.

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**Providers can prepare for the transition with:**

1. **ICD-10 COMPATIBLE SOFTWARE:**
   - A certified EHR system
   - Analytics and reporting tools

2. **STAFF MEMBER TRAINING:**
   - Assess knowledge gaps
   - End-to-end testing
   - Education and outreach through third-party vendors

3. **CHANGE MANAGEMENT TOOLS:**
   - Keep communication lines open
   - Articulate the benefits of the new coding set

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**EMDEON CAN HELP**

- Develop a strategy for testing codes
- Develop enhanced capabilities using existing platforms
- Standardize payer claim status updates
- Validate proper code sets are submitted
- Implement a system to flag invalid codes
- Develop contingency plans

To learn more about how Emdeon can help prepare you for the transition to ICD-10, visit www.hipaasimplified.com.
Implementing and Testing Compatible Technologies

ICD-10 requires a high degree of coding specificity and detailed documentation. For this reason, it’s essential that healthcare organizations have the technology in place to help clinicians properly code according to the new standard. Without an adequate solution, the documentation process will prove to be a huge drain on physician and staff productivity. However, many physicians are worried about the costs to their practices for converting to ICD-10. In fact, more than 55 percent of respondents from 1,200 office-based practices surveyed by the Medical Group Management Association (MGMA) indicated they were “very concerned” about the overall costs, including software upgrades which could run as high as $10,000 per provider by some estimates. In spite of the costs, healthcare providers require a certified electronic health record (EHR) system that can accommodate ICD-10 codes.

ICD-10 compatible software should have several distinct capabilities, including the support of increased levels of detail for emerging requirements. For instance, it should be able to provide information to supplement what is provided by the ICD-10 code, which will be particularly helpful for evaluating the proper treatment of emerging conditions. It should also enhance claim processing activities by reducing the need for attachments or payer requests for more information from providers, ultimately speeding up the time that it takes for providers to receive reimbursements.

Once implemented, hospitals and health systems must test their systems to ensure compliance with the ICD-10 code set requirements, including providing accurate, complete and highly specified chart notes. Compatible EHRs should also have the ability to map all ICD-9 terminologies to ICD-10, ensuring that coders aren’t wasting time searching for the right codes. It is also necessary that EHRs be highly adaptable to new requirements as they emerge.

Since the risk level associated with this industry change is high, hospitals need to consider implementing analytics and reporting technologies during the testing phase to identify incorrect coding procedures and adjust processes for expected reimbursement. As providers transition to electronic transactions, they are accumulating a wealth of data that can help them succeed with ICD-10 coding. The data will form a foundation for straightforward risk assessments and provide a mitigation framework that will help ease financially-related disruptions associated with ICD-10.

Providers can ensure a smoother transition by educating themselves on how their most common ICD-9 codes will translate to ICD-10 and the additional specificity needed in order to accurately code claims. Analytics and reporting technologies will help identify incorrect coding procedures, particularly related to their most
valuable activities. With historical utilization data, for example, analytics solutions will help organizations identify code groups that correspond to the procedures they perform most often and those that drive significant patient revenue—two categories where they cannot afford to introduce errors.

The upcoming conversion to ICD-10 is creating a platform for physician practices to renew relationships with their technology vendors. A great place to start is with a conversation about the upgrades they have planned, and, namely, if they will even have access to a version of an EHR that actually supports the ICD-10 codes and the required X12N 837 v5010 Healthcare Claim transaction standard. Healthcare organizations shouldn’t be afraid to press their EHR vendors on when their solutions will be ready for testing. In fact, in a recent WEDI survey, 20% of vendors indicated that their ICD-10 compliant products still aren’t ready for beta testing, which puts the squeeze on provider timelines.

Providers will also need an analytics solution that can effectively test post-implementation performance. Monitoring the entire process, from physician documentation to coding to claims management using metrics will allow providers to supply clinicians with consistent feedback, highlighting successes and flagging areas where improvement is necessary.
Staff Education and Training

Providers are well aware that there will be a learning curve with ICD-10. They can eliminate the uncertainties by providing clinicians and hospital staff with thorough training on the new code sets, software and processes. Among the most important tasks will be to ensure that billing staff are highly familiar with a larger number of potential charges that will be associated with claims. And, to ensure their superbill has been updated with the ICD-10 codes most common to their practice.

For their part, clinicians will need to learn how their EHRs respond to the new coding demands. Those who are highly tuned into the new coding standard will minimize the number of queries from coders, preventing major obstacles to effective physician workflow. Thorough training will also ensure that providers aren’t compromising revenue flow. An adequate program will assess the knowledge gaps in ICD-10 coding. With the proper technologies in place that facilitate changes in operational or payment outcome, coders can be tracked to quantify incorrectly coded ICD-10 claims, as well as variance in reimbursements on each claim. Identifying these occurrences will provide an opportunity to perfect ICD-10 coding practices.

Providers should seek out educational sources through third-party vendors, such as Emdeon, which has provider provision and helper applications and also provides end to end solutions. It also offers an online source called HIPAA Simplified at www.hipaasimplified.com to help guide the healthcare industry through the transition to ICD-10 as well as other regulatory initiatives.


Practical Change Management

Change management strategies will be necessary to ensure providers are able to maintain a seamless ICD-10 transition and empower stakeholders to accept and embrace the changes. Among the most important tasks will be to ensure that communication lines between coding staff and physicians remain open and that they can freely share information. This will help providers distribute resources to ensure they are achieving the greatest operational and financial impact.

Providers need to articulate the beneficial aspects of the new coding set to staff in a factual manner. They can accomplish this by providing members of the high-impact workforce with resources to survive the ICD-10 conversion with minimal disruption. They can focus their efforts on the more complex and high value procedures where coding proves to be the most difficult in terms of mapping from ICD-9 to ICD-10.

Among the activities that providers can engage in to promote effective coding practices is to review their template and treatment plans. This will ensure that their outputs indeed match a specified code. Using a list of their top diagnosis codes, they can focus on the correct templates and treatment plans for their most common procedures, ensuring that they are successfully converting the one-to-many coding relationships. If a mother-to-be is experiencing pregnancy complications, for example, the OB-GYN provider will need adjust his/her workflow to ensure adequate documentation of all required information, such as during which trimester the problems have arisen.
Look to Intermediaries

To ensure a seamless transition to the ICD-10 coding standard, many healthcare organizations are looking to third-party resources, such as Emdeon. Among the activities these firms can provide are conducting impact assessments, a tactic recommended by WEDI to help them understand how their EHRs and other clinical systems are aligned to meet the new ICD-10 structure. They can also help providers develop strategies for testing codes that will help both providers and health plans determine the appropriateness of coding. Third-party firms can help healthcare organizations develop enhanced coding capabilities using their existing technology platforms by validating that proper code sets are submitted based on service and discharge dates. Provider organizations should assume likely disruptions in their cash flow, even for as long as six months due to initial increases in the number of denials or requests for additional documentation by health plans. They will be able to minimize these challenges by making certain that all integrated EHR and practice management software is up to date well in advance of the October 1, 2015, compliance date.

Technology partners such as Emdeon can also help providers implement systems that are able to flag invalid codes and provide guidance on payer edits, including help and resolution text; categorize coding errors to ensure that mistakes don’t continue to plague the organization and impact cash flow; standardize payer claim status updates into easy to understand and actionable messaging; develop contingency plans in the event that one or both trading partners will not be ICD-10 ready on the compliance date; and provide education and advice for the transition with tools such as Emdeon’s HIPAA Simplified Website.

At Emdeon, we’re here to help. To transform the way you run your healthcare business today, call us at 877.EMDEON.6 (877.363.3666) for a complimentary review.
Proceeding with Confidence

Often lost in the discussion about ICD-10’s complexities is the expected payback, such as facilitating disease discovery, driving innovation and producing cost savings to the tune of $15 billion over 15 years, according to an HHS impact analysis study “ICD-10 Watch, Top 5 ICD-10 Cost Saving Categories.” Even AMA in its 2010 National Health Insurer Report Card estimated that nearly $800 million in unnecessary administrative costs could be saved if the health insurance industry improves claims processing accuracy by just one percent.

But to achieve the payback, healthcare organizations need to perfect their ICD-10 coding activities through education, training and change management if they desire to lower the chances of unexpected claim rejections, budget overruns and revenue disruptions. Leveraging relationships with third-party transaction vendors, like Emdeon, that maintain an existing claiming infrastructure supporting ICD-10 data content, providers have an excellent analytical resource that will help them to improve their administrative workflow well before the conversion date.