

ICD-10 Transition: 2013 is Closer than it Seems

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Your healthcare organization is being constantly besieged with change and uncertainty: healthcare reform, patient safety, cost reductions, reimbursement changes, etc. There is one certain and mandated change, which if not completed, could bring many of your organization's activities to a grinding halt – the transition from ICD-9 to ICD-10. With a deadline of October 2013, this important project should be close to the top of today's priority list.

The International Classification of Diseases (ICD) code set is used for reporting healthcare diagnoses and procedures. The World Health Organization, which oversees the ICD system, updated version 9

(ICD-9) to version 10 (ICD-10) in 1990. Yes, two decades ago!! ICD-10 has been adopted by all developed countries in the world, except the United States. The U.S., which uses this code set more intensively in the administration of healthcare services than other countries, is still using ICD-9 due to the complexity and expense of the transition.

The ICD-9 code set is no longer sufficient because of expanded and more specific indicators added to disease classification and healthcare delivery in the past 2 decades. For this reason, DHHS has mandated that all HIPAA covered entities must convert to ICD-10 by October 1, 2013.

Your organization should be currently working on a prerequisite to ICD-10; the required upgrade of electronic healthcare transaction standards from version 4010a to version 5010. The new standards, mandated to be in effect January 1, 2012, include file structure and content changes necessary to accommodate ICD-10.

The transition to ICD-10 affects every organization along the healthcare value chain with processes and systems using diagnosis and procedure codes. This includes insurers, plan administrators, providers, clearinghouses and

many vendors. It is not a simple version upgrade; it is a complete overhaul of the code set. ICD-9 has about 16,000 codes, where ICD-10 has over 155,000. Plus, the codes themselves are changing in length, character positions and meaning. The implications will ripple through the healthcare system to such an extent that, if not in compliance by the mandated date, organizations may not be able to perform daily activities such as billing, processing claims or managing clinical programs.

For delivery systems, the more specific ICD-10 code set will require providers to complete more detailed documentation. Payers, in turn, will need to be able to receive and process claims with these new codes. Both provider and payer organizations will require remediation of processes and systems to accommodate the new code structure. If they are not ready to move to ICD-10 at the same time, it could lead to serious lags in billing and claims payments, even to outright claims denials.

To complicate matters, mapping between ICD-9 and ICD-10 is not direct. The relationships can be one-to-one, many-to-one and one-to-many. For some, there is no code to map to at all! There is currently no standard map or cross-

walk available to be used by all entities. A mapping structure has been produced by the Centers for Medicare and Medicaid Services (CMS) and organizations are currently reviewing the CMS tool; additional mapping tools will likely be developed. While work is being done on mapping, each organization must understand their operations in sufficient detail to adopt a mapping methodology that fits their business needs and processes.

If your organization has not started work on this transition, you could already be behind. This multi-year project can be very complex and require significant resources. Here is an approach to how it can be organized:

1. Assess Organization-wide Impact: A review of all business processes, systems, policies/procedures, reports, etc. to document use of the ICD code set, where changes are required, the nature of needed changes and resources needed for implementation. This assessment should be com-

pleted by early 2011.

2. Develop an Implementation Work Plan: An enterprise-wide work plan, which actually extends outside the organization to trading partners, must be developed. This should identify work activities, resources and time lines to implement changes to processes, systems, documentation etc. This work plan should be completed by early 2011.

3. Implement and Test Changes: This step will extend over multiple years and engage staff in making changes outlined in the work plan. It will include ongoing communication with external trading partners to ensure that their ICD-10 transition is on-track. Extensive testing, both internally and externally, is essential to ensure that business work flows, system processes and exchanges of information function without errors or unintended consequences.

4. Go Live and Post-Implementation: A transition peri-

od will be required for ongoing tracking of processes and outputs to ensure the implementation has been a success. During this period, payers may need the ability to receive claims that are in either ICD-9 or ICD-10 (because there will likely be providers and other organizations lagging in their implementation efforts).

The transition from ICD-9 to ICD-10 is a “mission critical” project that should already be underway. Healthcare organizations cannot afford to delay this work because of the confusion and flurry of other healthcare changes, or because 2013 seems far away; it is closer than you think.

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