

Part B Insider (Multispecialty) Coding Alert

Physician Notes: Moving to ICD-10 Codes Could Cost More Than Y2K

A proposed new diagnostic coding system could cost healthcare providers as much as \$14 billion - more than the industry paid to ready computer systems for the Year 2000 conversion.

That's the finding of a new study sponsored by the Blue Cross Blue Shield Association. It looked at the challenges, costs and benefits associated with replacing the current [ICD-9 diagnostic](#) and inpatient procedure codes system with a new ICD-10 system.

The study's authors say the \$14 billion figure is a conservative estimate because they didn't include nursing homes, clinical labs, durable medical equipment vendors, and others unable to develop initial cost estimates.

For more details on the study's findings, go to <http://onlinepressroom.net/bcbsa/>.

1. Billing Medicare for foot care purportedly provided to patients who had no legs has landed a Chino Hills, Calif., podiatrist in legal hot water.

A federal grand jury indicted Dr. Robert Kasamatsu on two counts of healthcare fraud. The indictment alleges that Kasamatsu billed for "two-foot" services for beneficiaries who'd had one or both feet amputated, billed for services provided to beneficiaries who were dead, and submitted claims for services provided to patients he'd never seen.

The improper billings allegedly cost Medicare more than \$600,000, and Kasamatsu could face up to 20 years in prison.

2. More health plans, employers and provider networks are embracing disease management programs, but there still isn't much evidence that disease management saves money, according to a new report by the Center for Studying Health System Change.

Disease management programs are typically geared toward patients with chronic conditions that require some degree of self-care, such as diabetes or congestive heart failure. The programs focus on patient education and coordinating the care the patient receives to ensure that it follows accepted standards. This is especially important in light of the National Committee for Quality Assurance's recent findings that large numbers of patients still are not being treated according to the latest guidelines, leading to worse outcomes and higher costs.

The Disease Management Association of America criticized the Center for limiting its search for evidence to academic, controlled clinical studies.

3. Three Texas doctors learned the hard way to choose a billing service carefully. A federal judge sentenced Elaine Satyshur, owner of Physicians Medical Billing Service in Mesquite, Texas, to 27 months in prison after she pleaded guilty to healthcare fraud and embezzlement. She also has to pay nearly \$460,000 to the doctors she ripped off using a post-office box to receive their reimbursement checks.