Home Health ICD-9/ICD-10 Alert

ICD-10 Update: Don't Slow Down on ICD-10 Preparations, CMS Warns

Does your impact assessment cover all the bases?

Healthcare providers across the country are waiting to see the outcome of the **Centers for Medicare & Medicaid Services**' proposed delay of the ICD-10 implementation date. But that doesn't mean CMS wants you to relax your transition plans.

\"Although the final rule on the proposed ICD-10 deadline change has yet to be published, it is important to continue planning for the transition to ICD-10,\" CMS said in a recent email to providers. \"The switch to the new code set will affect every aspect of how your organization provides care, from registration and referrals, to software/hardware upgrades and clinical documentation.\"

Is Your Plan in Place?

Ideally, even if the one year delay comes to pass, your agency should already have a thorough plan for implementing ICD-10, said **Ann Zesseit, RHIT, CCS, CCS-P,** AHIMA-approved ICD-10-CM/PCS Trainer during a recent audioconference sponsored by Springfield, Mo-based **BKD**.

One key component in preparing for the transition is to conduct an impact assessment that investigates how the new code sets will affect your agency's operation, CMS said in their July 12 email. If you haven't already completed this step, CMS advises doing so immediately.

What it is: An impact assessment identifies the potential changes to your existing work flow and business processes and CMS estimates that conducting a study will take a good 6 months.

During the assessment, you should look at readiness in four key areas, CMS says:

- **Documentation processes and workflow:** Consider the increased specificity of ICD-10 codes compared to ICD-9 codes, CMS said. You'll need to establish practices that ensure all documentation of patient encounters includes the comprehensive clinical descriptions required by ICD-10.

Try this: Assess the quality of the documentation you currently receive to see what areas need improvement, Zeisset said. Have a trained coder evaluate sample records including the top diagnoses and a variety of cases to see if they provide the information you will need to assign an ICD-10 code. Put aside those records without enough detail for a physician query.

Misconception: Although ICD-10 allows you to code to an increased level of specificity, it won't make coding without such detail impossible. Nonspecific codes are still available when necessary, Zeisset pointed out.

- **Reimbursement Structures:** ICD-10 will impact policies and procedures for coding and reimbursement, including productivity and accuracy.

Train staff to accommodate the substantial increase and specificity in code sets. And prepare for a reduction in productivity, Zeisset warned. \"Coders will have a large learning curve.\" Although other countries using ICD-10 don't use the same version U.S. healthcare providers will, they experienced a three to six month slowdown in productivity which gradually lessened over time.

Silver lining: The learning curve for home health coders who only need to use ICD-10-CM will be less than that expected for hospital inpatient coders who will have to learn both ICD-10-CM and ICD-10-PCS.

Consider workflow and patient volume changes.

Revise forms, documents, and other forms to reflect ICD-10 codes, including processes.

- **Systems and Vendor Contracts:** Ensure your vendors can accommodate your ICD-10 needs, CMS said.

Wherever you see ICD-9 codes now, you'll need to make sure preparations are made to transition to ICD-10, Zeisset said.

Find out how and when your vendor plans to update your existing systems, CMS advises. Review all existing and new vendor contracts to evaluate whether the vendor's offerings and capabilities meet your agency's needs.

Work with your vendors to draft a schedule for needed tasks. And make certain vendors are prepared to schedule appropriate testing before the final implementation date.

Both sides: Keep in mind that you will need to be able to support both ICD-9 and ICD-10 codesets for some period of time, Zeisset said. Plus, you'll also need to be able to access old data for review and reporting. Make certain your impact assessment establishes any need for new or upgraded hardware and software requirements to make this possible.

- **Business Practices:** Once you have implemented ICD-10, you will need to determine how the new codes affect your processes for referrals, authorizations/pre-certifications, patient intake, physician orders, and patient encounters, CMS said.

You'll need to establish which staff members require ICD-10 training and what type and level of training they will require, Zeisset said. Training isn't for coders alone -- different data users will require different types of training, she said.

What about that Delay?

The ICD-10 implementation date has gone from a hard-and-fast October 1, 2013 to a potential delay of one year or more. The official notice of the intent to delay was posted in the April 17, 2012 Federal Register with comments due by May 17.

The **American Health Information Management Association**'s Advocacy and Policy staff learned that CMS staff arrived at recommendations on the proposed one year delay in late June, said **Dan Rode, MBA, CHPS, FHFMA,** AHIMA's vice president of advocacy and policy in a Jul. 18 post on the Journal of AHIMA website. \"But this was essentially a political change in the rule, not technical, so the options and decision have to be shared with the CMS Administrator, the HHS Secretary, and potentially the White House,\" he said.

Then, once a decision is made to move forward with an option, a new final rule (which may be changed as a result of public input) must again be assessed by the White House Office of Management and Budget, Rode said. Then the healthcare industry waits for an OMB listing, the CMS announcement of a \"display copy\" of the rule, and at long last the final (or interim rule) which will be published in the Federal Register.

\"The effective date of the rule in this case should be 60 days after the Federal Register final rule. In the rule will be the new compliance date or dates,\" Rode said.