Achieving ICD-10 Implementation Success

Denny Flint
Complete Practice Resources
Objectives

• Another delay – *Now what?*
• Background and Foundation
• Impact on your Practice
• What you need to do about it right now
• Documentation is the cornerstone for success
• Expected outcomes for efficiency and quality
Latest News and View from the Road

• Latest ICD-10 project “News”
  – Another delay – Now what?
  – Timeline? – CMS estimates a 15 to 18 month project
  – WEDI feedback - Payers will be ready (testing?)
  – No. Carolina Test project – worse results than anticipated

• View from the road
  – The additional delay does a disservice to our doctors
  – Uncertainty, Paralysis, Inactivity
  – What to do? How to begin?
  – Why do we have to do this?!
Background

• Published by WHO in 1992 (CM released 7 years later)
• HIPAA mandate
• v.5010 data format change + no new ICD-9 updates
• They’ve burned the boats!
• CMS/DHHS blindsided by this third delay
• U.S. last industrialized nation to implement ICD-10
• Two parts: ICD-10-CM and ICD-10-PCS
• ICD-10-CM – 69,000 codes, ICD-9-CM – 14,000 codes
• 3 – 7 Alpha and numeric characters for ICD-10-CM
Why do we need ICD-10?

• ICD-9-CM is outdated
  – Over 30 years old, many categories full
  – Not descriptive enough

• Coding system needs to be:
  – Flexible enough to quickly incorporate emerging diagnoses
  – Exact enough to precisely identify diagnoses
  – Cornerstone component of ACOs, Value Based reimbursement, and outcomes measurements
  – It’s all about the data and clinical documentation improvement is the key!!!
ICD-10-CM Code Structure

- ICD-9-CM: 3 – 5 Numbers
- ICD-10-CM: 3 – 7 Alphanumeric Characters
- Dramatic increase in documentation required to support the new code specificity

Fracture of Patella example
Positive or Negative Impact?

The following impact areas will result in Positive or Negative Outcomes depending on how well each area is addressed during the transition.
Insurance Reimbursement Impact

• Current Insurance Reimbursement Issues will carry over to ICD-10
• Medical Necessity Denials
• Value-based reimbursement and PQRS
• ACO’s?
• Unspecified = Unpaid?
Unspecified = Unpaid

“Physicians may be ICD-10 compliant, but if they abuse the “other” or “unspecified” codes, payment will not occur if a more specific alternative exists.”

Dennis Winkler
Blue Cross Blue Shield of Michigan
Director of Technical Program Management

Justifying medically necessary procedures and services depends on specificity of diagnosis coding!
Productivity Impact

- More documentation v. Patient Scheduling
- Coding Productivity
- Denied Claims Increase the ripple effect
- Training Impact on ability to maintain workflow
Operations Impact

- EHR pick/problem lists and Superbills
- Order Entry
- Pre-Authorization/Pre-Certification
- Referrals
- Reporting
# ICD-10 Financial Impact: Physician

<table>
<thead>
<tr>
<th></th>
<th>Typical Small Practice</th>
<th>Typical Medium Practice</th>
<th>Typical Large Practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>$2,405</td>
<td>$4,745</td>
<td>$46,280</td>
</tr>
<tr>
<td>Process Analysis</td>
<td>$6,900</td>
<td>$12,000</td>
<td>$48,000</td>
</tr>
<tr>
<td>Changes to Superbills</td>
<td>$2,985</td>
<td>$9,950</td>
<td>$99,500</td>
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<tr>
<td>IT Costs</td>
<td>$7,500</td>
<td>$15,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>Increased Documentation Costs</td>
<td>$44,000</td>
<td>$178,500</td>
<td>$1,785,000</td>
</tr>
<tr>
<td>Cash Flow Disruption</td>
<td>$19,500</td>
<td>$65,000</td>
<td>$650,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$83,290</strong></td>
<td><strong>$285,195</strong></td>
<td><strong>$2,728,780</strong></td>
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</tbody>
</table>

- Small Practice: 3 physicians/ 2 administrators
- Medium Practice: 10 providers / 6 administrators/ 1 coder
- Large Practice: 100 providers/ 64 “coding staff” (10 fte coders/ 54 medical records staff)

*Source: Nachimson Advisors: Impact of implementing ICD-10 on physician practices and clinical laboratories*
Prevailing Provider Attitudes

- “It’s the government...either won’t happen or it will be delayed again.”
- “It’s just an IT and a coding issue. What’s the big deal?”
- “RAC audits, Meaningful Use, ACO’s and now ICD-10? I don’t care. I’m retiring.”
- “We know it’s coming, we just don’t have a clear sense of what to do or where to begin.”
The 5 Phases of the ICD-10 Transition

1. Engaging and educating Physicians and Staff
2. Organizing your implementation effort
3. Creating your Timeline and Transition Plan
4. Implementing your Transition Plan
5. Post Transition Analysis and Reporting

Each phase is the prerequisite for the next. Most practices are still in Phase 1.
Top 5 steps to “jump start” the project

Demystify ICD-10 and find your personal ICD-10 reality

1. Convert your top 20 codes, identify new documentation elements,
2. Create training tools
3. Conduct simple chart reviews that reveal current documentation shortfalls and adjust your habits
4. Engage your software vendors and payers
5. Prioritize your timeline and create deadlines and accountability
Providers, you hold the key to ICD-10 success

• Without you, all project efforts are fruitless
• Documentation is the cornerstone
• Your future financial health depends on it
• SOAP
• Jerry McGuire approach

Besides, If we don’t go ICD-10, we’ll miss out on all these fun codes!
Fall from or off toilet with subsequent striking against an object

W18.12XA  Initial Encounter
W18.12XD  Subsequent Encounter
W18.12XS  Sequela

Hey! This stuff really happens!!!
Toilet trouble: Six people injured and one dead after falling off faulty raised toilet seats

By Daily Mail Reporter
Last updated at 4:36 PM on 23rd October
Read more: http://www.dailymail.co.uk/news/article-1080018/Toilet-trouble-Six-people-injured-dead-falling-faulty-raised-toilet-seats.html#ixzz1jyJuYFlr

Prisoner who fell off toilet fails in payout bid.
Belfast Telegraph, 4 November
W22.09XD

Striking against other stationary object,
Subsequent Encounter
Two fish were swimming along and ran into a cement wall. One looked at the other and said, “Dam
Activity, Milking a Cow
Y93.K2

COW MILKING CONTEST

[Image of a cutout cow with a milk pail in front]

Solutions made simple. | cpticdpros.com
(If the milking goes badly)

...the related W55.22XS

Struck by cow, Sequela
Burn due to *water-skis on fire*, subsequent encounter
Ok...so I looked everywhere.

I could not find one single “person burning on water skis picture.”

But I DID find incidents involving SNOW SKIS
V98.3XAA

Accident to, on, or involving Ski Lift, initial encounter
W61.91XA

Bitten by Other Birds,
Initial Encounter
Please note: Codes exist for... 

**Being bitten or struck by...**

Turkey, chicken, macaw, parrot, other psittacines, goose, duck, mouse, rodent, rat, squirrel, sea lion, orca, horse, cow, pig, raccoon, lizard, snake, alligator or crocodile.
And don’t forget the ever popular...

R46.1

Bizarre Personal Appearance
R46.1 Bizarre Personal Appearance

A guy goes to see his doctor because he doesn’t feel well. The doctor examines him and notices he has a stalk of celery stuck in one ear, a carrot sticking out of the other ear, and an olive stuck up his nose.

“Ah,” the Dr. says, “I know what’s wrong with you.”
“You’re not eating right.”
But Seriously...
We must find ways to engage the providers

The *unprepared* practice exhibits:
- Inadequate documentation = unspecific coding
- Unspecific coding = Lack of Medical Necessity
- Lack of Medical Necessity = Denied Claims

**Providers:**
“You hold the key to ICD-10 success.”
Short term pain – Long term gain

First 6 months – Challenging

Long term benefits:

- Improved data = clinical improvement (Asthma, metal hip replacement examples)
- Contracting – “My patients are sicker than my colleague competitors and I can prove it”
- Future physician compensation depends on it
Questions?

Thank you!

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