

# ICD-10

## Top Ten Things You Need to Know to be Prepared for ICD-10

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The Department of Health and Human Services' (HHS) requirement to transition to the International Classification of Diseases, 10th edition (ICD-10) by October 1, 2013 is one of many healthcare change initiatives that will impact all segments of the healthcare industry. ICD-10 stands for the World Health Organization's (WHO) International Classification of Diseases, 10th edition. In the United States, ICD-10 will replace the current ICD-9 code sets used to report healthcare diagnoses and procedures. The new ICD-10 code sets incorporate much greater specificity and clinical information and are more consistent with today's practice. Adoption of ICD-10 will reduce payment errors and speed reimbursement throughout the healthcare industry while improving data sharing opportunities across global and industrial barriers.

ICD-10 is a historic event for the healthcare industry as it is the first mandated upgrade in a medical code set version. To be prepared, here are the top ten things you need to know:

- 1. The date is not flexible.** This might seem obvious to some, but the reality is that HHS has already responded once to industry input and has delayed the compliance date two years in their Notice of Proposed Rulemaking (NPRM). The ruling states that all Health Insurance Portability and Accountability Act (HIPAA) covered entities must begin using the new code sets on October 1, 2013. Wishing for another delay is not a strategy.
- 2. Everyone will be affected.** ICD-10 will affect all segments of the healthcare industry equally. There will not be different compliance dates for different sized healthcare organizations. ICD-10 will be here and must be planned for!
- 3. Private and public health plans will not accept and pay based on ICD-9 codes.** To receive proper payment from payers, providers must begin using ICD-10 diagnosis codes for dates of service on or after October 1, 2013 and ICD-10 procedure codes for dates of discharge on or after October 1, 2013. There will not be a transition period. After the compliance date, payers will not pay for claims improperly coded in ICD-9.

4. **ICD-10 is not an ICD-9 maintenance update.** ICD-10 is not equivalent to the ICD-9 yearly updates. The reality is that ICD-10 is a new data structure (i.e., the fields are longer) and, more importantly, an entire new set of diagnosis and procedure codes that capture more clinical granularity. ICD-10 is a complete overhaul.
5. **Automated conversions are not possible.** Software vendors or clearinghouses alone will not take care of the switch. Because of the additional granularity in ICD-10, there is not a one-to-one correspondence between all ICD-9 and ICD-10 codes. In order to select the proper ICD-10 code to replace an existing ICD-9 code, one must understand the patient or administrative context. Healthcare organizations need the right people and processes to select new ICD-10 codes, and they cannot rely solely on automated conversions from software products or intermediaries such as clearinghouses. CMS has created tools to help with the transition:
  - General Equivalence Mappings (GEMs) are intended to assist all covered entities with the process of converting operations and systems to ICD-10. GEMs are a bi-directional translation dictionary between ICD-9 CM and ICD-10. GEMs can help navigate complex translations of diagnosis and procedure codes. They are not prescriptive, but instead allow choices to be made on which code to use. There are three main translation types, including one-to-one (equivalent, but code values may be different), one-to-many (each of which is a possible translation) and clusters (a combination entry of where one to multiple codes are required).
  - Reimbursement Mappings are intended to provide non Medicare health plans a temporary mechanism for mapping records containing ICD-10 codes to “reimbursement equivalent” ICD-9 codes. Reimbursement Mappings contain one I-9 translation alternative chosen for reimbursement purposes, based on frequency data. Reimbursement Mappings are designed to be interposed between claims submitted using ICD-10 codes and legacy systems using ICD-9 codes, so data can continue to be processed until the legacy system is converted to ICD-10.
6. **ICD-10 cannot wait for Electronic Health Records and other health IT initiatives.** The ICD-10 rule is final. Providers must conduct ICD-10 projects in conjunction with other health IT initiatives such as EHR systems to receive incentive payments from CMS for meaningful use of EHRs.
7. **You must implement both 5010 and ICD-10.** HHS is requiring healthcare organizations to upgrade to the Electronic Data Interchange (EDI) Version 5010 by January 1, 2010 because its current Version 4010 cannot accommodate ICD-10 codes. Version 5010 is a pre-requisite for ICD-10.
8. **ICD-10 is more than a compliance activity.** ICD-10 is more than a compliance effort. It has a large impact on policies, business operations, clinical processes, and IT systems. Given this complexity, healthcare organizations must be strategic at implementing ICD-10 to ensure efforts are synchronized.
9. **Planning and implementation must begin now.** While the date 2013 implies plenty of time for planning and implementing ICD-10, the impact of the change will be bigger than most organizations expect. For instance, the payer community will want to test systems with their providers up to a year before the compliance date. To be ready, organizations must successfully meet mutually agreed upon intermediate dates.
10. **The first step is a comprehensive Risk Readiness Assessment followed by an Impact Analysis.** Healthcare organizations must begin by developing an understanding of the breadth and depth of their ICD-10 needs. As a result, a comprehensive Risk Readiness Assessment followed by an Impact Analysis need to be conducted. The Impact Analysis will form the foundation for developing implementation strategies and projects for your organization.

To learn more about ICD-10 and Noblis' ICD-10 solutions, visit: [www.noblis.org/icd10](http://www.noblis.org/icd10).