ICD-10-CM and the DPH Implementation Strategy

Presentation for NCALHD
Technology Committee
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ICD-10-CM Compliance

- Federal Mandate
  - Compliance date of 10/1/2013
  - Compliance with 5010 Standard Transactions is Major Dependency
  - Adopts ICD-10-CM and ICD-10-PCS as a new code set under HIPAA replacing ICD-9-CM (Volumes 1, 2 and 3)
  - ICD-10-CM for diagnosis coding – all covered entities must transition to this
  - ICD-10-PCS for inpatient hospital procedure coding – based on initial assessment, DPH will not use
  - No impact on CPT or HCPCS

ICD-10-CM Compliance

- Will Mandate be Delayed??
  - Don't Count on it!
  - 5010 compliance date is 1/1/12
  - ICD-10-CM compliance date is 10/1/13
  - If 5010 is delayed, should not impact ICD-10-CM
- ICD-9-CM codes will not be accepted for services provided on or after 10/1/13
- ICD-10-CM codes will not be accepted for services provided prior to 10/1/13
- System must accommodate both ICD-9-CM and ICD-10-CM

What's Changing With ICD-10-CM

ICD-9-CM	ICD-10-CM
3-5 characters	3-7 characters
1st digit numeric or alpha	1st digit alpha
Digits 2-5 are numeric	Digits 2-3 are numeric; Digits 4,5,6,7 can be alphanumeric
13,000 codes	68,000 codes
401.9 – Hypertension	I10 – Essential Hypertension
249.5 & 362.07-Diabetic Retinopathy with Macular Edema	E11.311 – Type II Diabetes Mellitus with unspecified Diabetic Retinopathy with Macular Edema

Transition to ICD-10-CM Impacts

- Diagnosis codes permeate almost every business process
  - Treatment Decisions
  - Encounter Reporting and Billing
  - Forms, Reporting and Data Analysis
- System and Database Impacts
  - Locally developed and/or vendor systems/databases/reports must be modified to accommodate both ICD-9-CM and ICD-10-CM
  - Must work with vendors to ensure their systems will comply
- Productivity will decrease
- Clinical documentation must support specificity of ICD-10 Diagnosis Codes

Transition to ICD-10-CM Impacts

- Budgetary Impacts
  - What is the cost to train staff and physicians?
  - What is the cost to modify processes and forms?
  - What is the cost for necessary software changes?
  - Costs for Code Books or Coding Assistance Software
    - Budget $120 for each ICD-10-CM code book
    - Do not purchase until after 10/1/11 when code freeze takes affect
  - What if a significant number of claims are denied post 10/1/13 because the agency is not well prepared?
  - 3-physician practice cost estimated at $83,000
    - Per Medical Group Management Association

Benefits of ICD-10-CM

- Higher Quality Data Resulting in
  - Improved ability to measure quality, efficacy, and safety of patient care
  - Enhanced ability to conduct public health surveillance
  - Greater achievement of the anticipated benefits from EHR adoption
  - Decreased claims submission and claims adjudication costs
  - Decreased need for manual review of health records to meet needs of payers, researchers, etc.

DPH ICD-10 Transition Project

- Project Charter drafted but not yet approved so current scope and plans may change
- Business Goal (draft)
  - The goal of this project is to ensure that the staff and information systems that currently utilize ICD-9-CM for classification of disease and morbidity information within the Section/Branches of the Division of Public Health and local health departments seamlessly transition to the federally mandated ICD-10 effective October 1, 2013.

DPH ICD-10 Transition Project

- Project Objectives (draft)
  - Identify all information systems, forms and reports that must accommodate the expanded ICD-10 code sets no later than August 31, 2011.
  - Develop business/functional requirements for all impacted information systems no later than December 31, 2011.
  - Identify budgetary requirements for ICD-10 implementation in DPH and identify funding sources for any unfunded implementation activities no later than July 31, 2012.
  - Complete the design, development and testing for all impacted information systems with user acceptance no later than December 31, 2012.
  - Evaluate the impact of ICD-10 implementation on current business processes and identify opportunities for implementation of process improvements no later than March 31, 2013.
  - Complete ICD-10 training for DPH and local health department staff no later than September 30, 2013.

DPH ICD-10 Implementation Project Timeline (Draft)

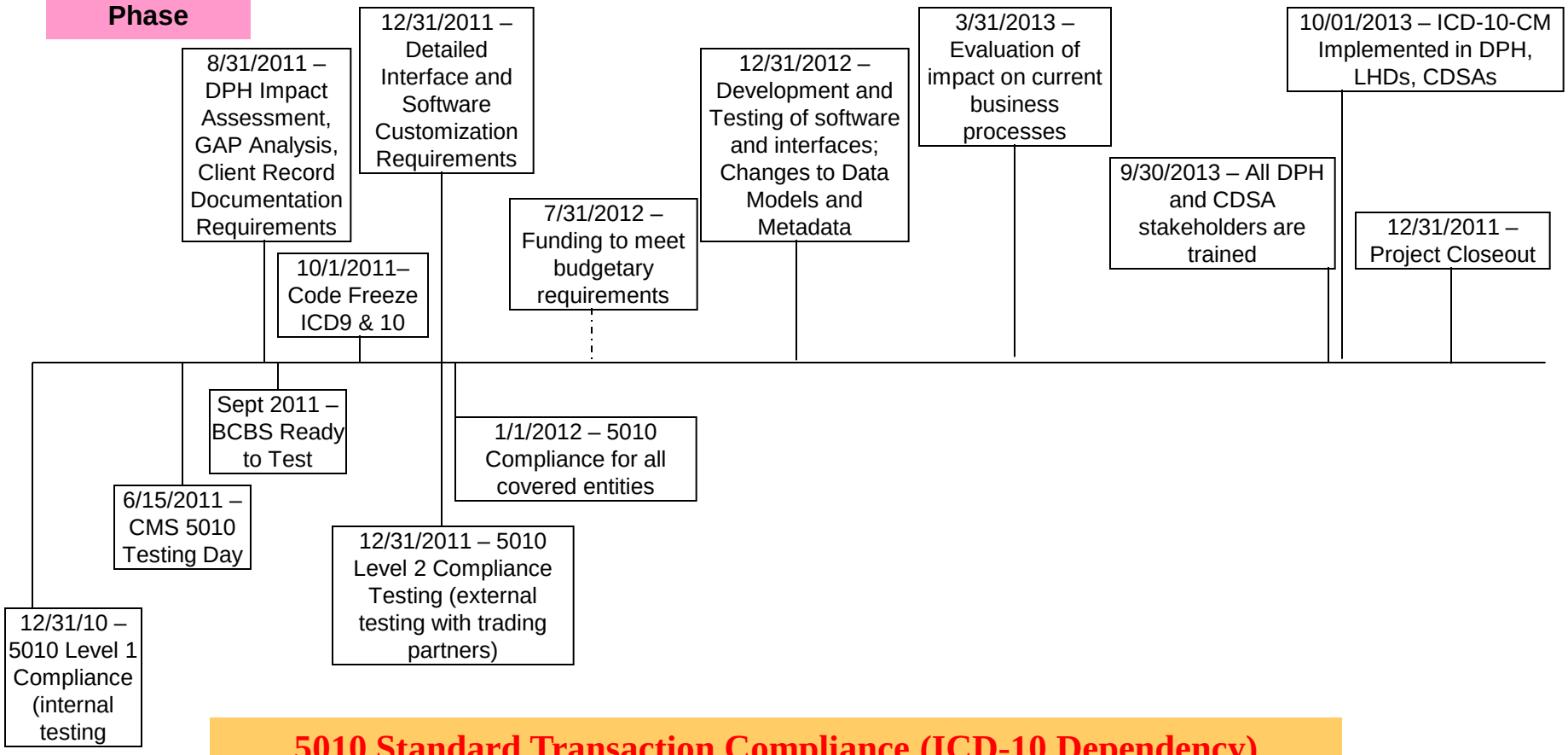
ICD-10 Compliance

DPH ICD-10 Implementation Project Management (Began 4-19-11) and Integral Phase

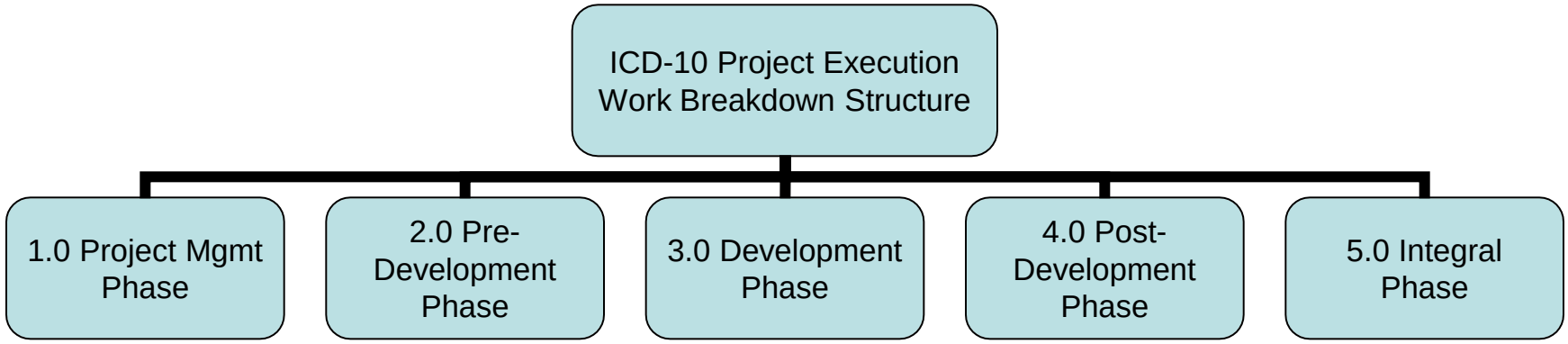
Pre-Development Phase

Development Phase

Post-Development Phase



5010 Standard Transaction Compliance (ICD-10 Dependency)



- 1.1 Project Schedule
- 1.2 Budget Tracking Materials
- 1.3 Resource Plan
- 1.4 Communications Plan
- 1.5 Risk Management Plan & Risk Matrix
- 1.6 Issues Management Plan & Issues Log
- 1.7 Change Management Plan & Change Log
- 1.8 Implementation Plan
- 1.9 Lessons Learned

- 2.1 Impact Assessment
- 2.2 Detailed Gap Analysis
- 2.3 Client Record Documentation Assessment

- 3.1 Detailed System Interface Requirements
- 3.2 Detailed Software (input and output) Customization Requirements
- 3.3 Changes to Data Models and Metadata

- 4.1 Implementation of System Changes (input and output)
- 4.2 Implementation of Interface Changes
- 4.3 Implementation of ICD-10 Related Business Process Changes

- 5.1 Implementation Team Meetings, Agendas & Minutes
- 5.2 Requirements Traceability Matrix
- 5.3 Business Process Improvement Plan
- 5.4 Test Plan
- 5.5 Test Cases & Expected Results
- 5.6 Expected Test Cases & Actual Results
- 5.7 Training Plan
- 5.8 Training Materials
- 5.9 Training Classes & User Registration
- 5.10 Summary Report of Training Evaluations

Next Steps

- Identify ICD-10 Primary and Back-Up Contacts
- Impact Assessment
  - Must identify all system, reports and forms that are impacted
  - Tool to be used for DPH systems is under review
  - Will test tool in DPH before sharing with local agencies
- Organize DPH ICD-10 Implementation Team
  - DPH staff with ICD-10 impacts
    - Administrative and Nurse Consultants
    - SCHS (already using ICD-10)
    - IT Branch
    - POMCS
    - WCH, Epidemiology, Chronic Disease & Injury, Oral Health
  - CDSA staff (2)
  - LHD staff – Administrative (2), Billing (2) and Clinical (2)

Resources

- http://www.cms.hhs.gov/ICD10
- http://www.cdc.gov/nchs/icd/icd10cm.htm#10update
- http://www.nchica.org/HIPAAResources/icd10.htm
- http://my.ncahec.net/education.php?d=a
- http://www.ahima.org/ICD10/default.aspx
- http://www.aapc.com/ICD-10/ (Note: Free Code Translator using General Equivalency Mappings - GEMS)
- Sarah.Brooks@dhhs.nc.gov
  - 919-707-5067

Questions

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