



ICD-10 perspectives of provider CFO, CIO, CMO

Risk and clinical documentation improvement

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D.C. Report: One-Year ICD-10 Delay, First ACOs Announced

April 18, 2012 by Jeff Smith, Assistant Director of Advocacy at CHIME



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HHS Proposes One-Year ICD-10 Delay This week, HHS released a [proposed rule](#) delaying the compliance date of ICD-10, for both diagnosis and procedure codes, from Oct. 1, 2013 to Oct. 1, 2014. In February, HHS announced that it would reconsider the timetable for ICD-10 implementation, and CHIME responded with a [letter](#) to HHS saying uncertainty about the timetable would create more problems than it would solve. For the last two months, there has been much speculation about the possible delay, and since the announcement in the NPRM, responses have been mixed from different associations. [AHIMA](#) is encouraging its members to implement ICD-10 as soon as possible, and would rather not have the delay while [AMA](#) is on record as advocating for a three-year delay.



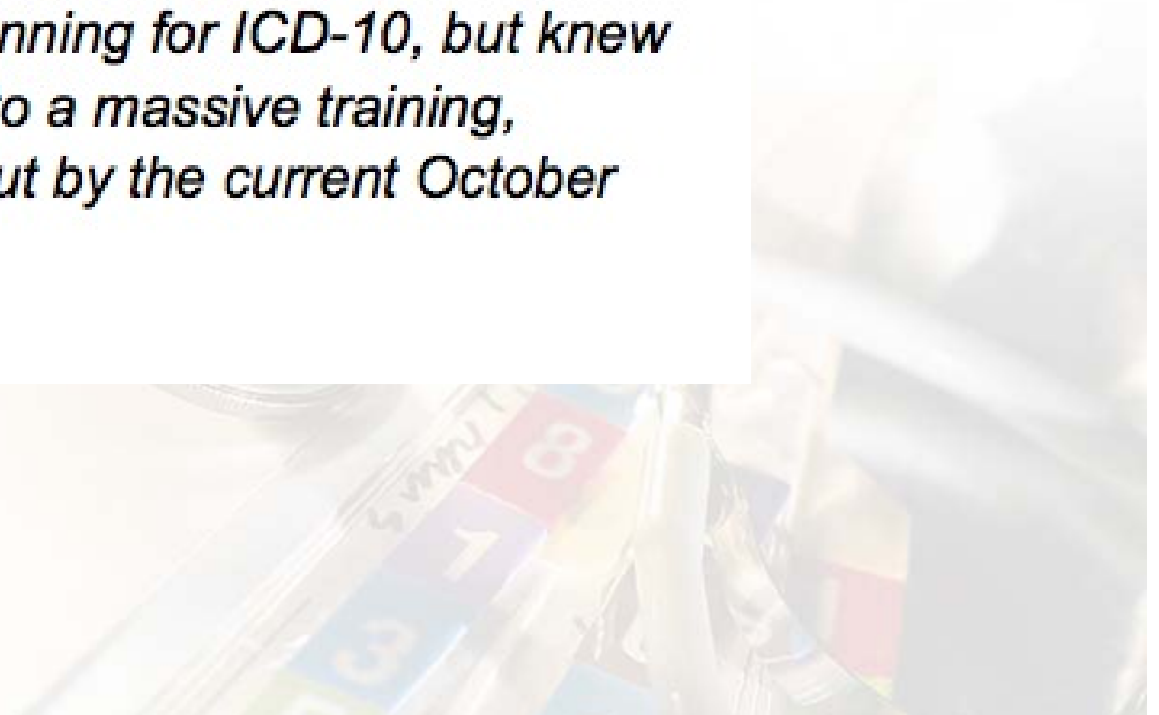


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1. "Thank goodness," said a CFO. This was the refrain of almost everyone currently in the active roll-out process of some other healthcare IT initiative that is massive. Many have done some preliminary assessment and project planning for ICD-10, but knew they were only 5 percent into a massive training, building, analysis and roll-out by the current October 2013 deadline.





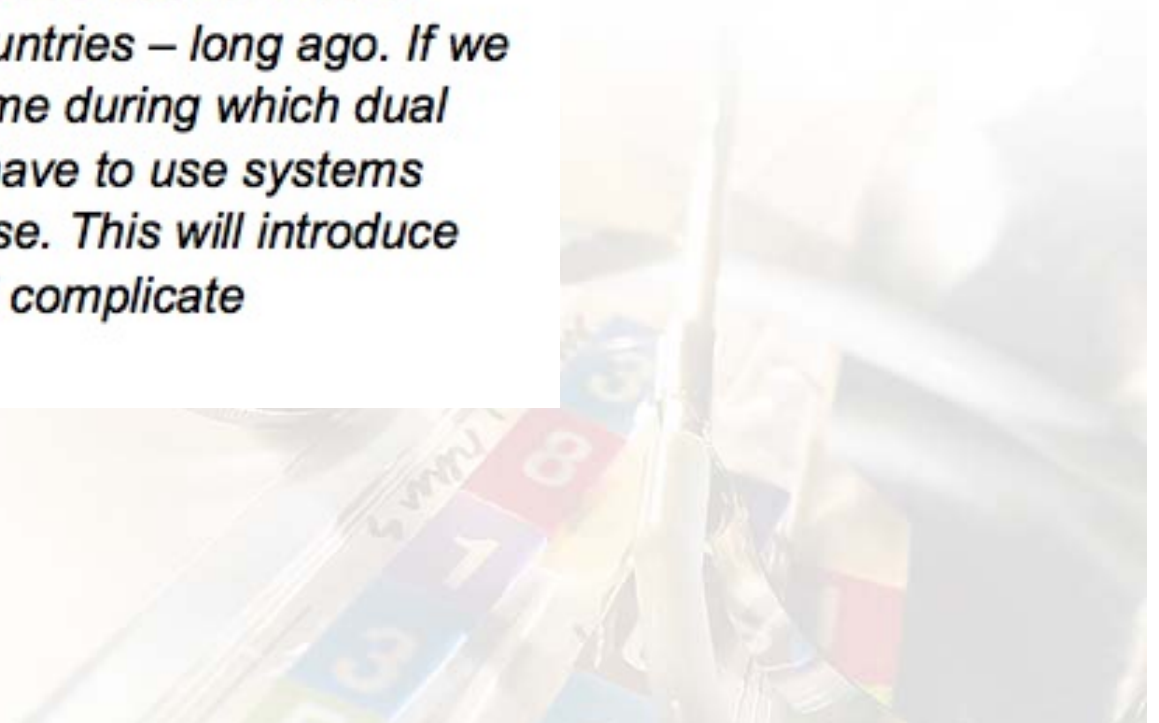
2. "A delay will seriously damage my credibility within my organization, from the C-suite on down." This was the lament of many CIOs who had done their homework, developed solid plans through a painstaking process, and most importantly, educated their executives that the current deadline was firm. All indicators suggested the government would stand firm on the 2013 date. Now we learn CMS is uncertain about its commitment.



3. *"This was inevitable and the sober thing to do," a physician told me. The thinking here goes along the lines that it's too great of a burden on the doctors and the improvement in data quality is of negligible consequence to patients or doctors. The true intent of those promoting the transition is to further reduce reimbursement to providers for care. Note this is contrary to the position AHIMA has steadfastly professed for many years.*



4. *"Moving the date introduces significant new logistical challenges." That came from a hospital HIM director. When there was a specific switch over date, the logistics of getting ready and meeting a fixed deadline were clear and manageable. It's been done in other countries, in fact, most other countries – long ago. If we move the date to a window of time during which dual systems are allowable, we will have to use systems that weren't designed for dual use. This will introduce new workflow requirements and complicate enforcement.*





Risk and Clinical Documentation Improvement



ICD-10 Assessment Methodology

| | Initiate ICD-10 Assessment | Identify ICD-10 Business Impacts | Identify ICD-10 Trading Partner Impacts | Identify ICD-10 Systems Impacts | Determine ICD-10 Gaps, Approach & Effort | Develop ICD-10 Implementation Plan |
|--------------|---|--|---|--|---|--|
| Activities | <ul style="list-style-type: none"> •Assemble Steering Committee •Assemble Project Team •Create Project Plan •Kickoff meeting and training •Send out questionnaires •Develop Communications Plan •Review Cost Model | <ul style="list-style-type: none"> •Review documents •Policies and procedures •Contracts •Reports •Conduct interviews •Complete checklist •Prioritize impacts •Identify ICD-9/ICD-10 codes that will influence MS-DRG assignment | <ul style="list-style-type: none"> •Interview and assess Trading Partners •Clearing Houses •Health Plans •Payers •Physicians Practices •Labs •Radiology •HIEs | <ul style="list-style-type: none"> •Collect documents •Systems Inventory •Architecture •Data Flows •Interface •Transaction Maps •Planned Projects •Conduct interviews •Assess vendor systems and contracts •Map business assessment to system requirements •Identify testing strategies | <ul style="list-style-type: none"> •Determine business gaps •Determine technology gaps •Prioritize and evaluate options •Manual change or workaround •Crosswalk •Remediation •Assess training needs •Assign costs and effort •Create Impact Report •Identify opportunities to improve physician documentation •Assess training needs | <ul style="list-style-type: none"> •Develop schedule •Determine necessary resources and update costs •Conduct Implementation Risk Analysis •Review Plan and Recommendation |
| Deliverables | <ul style="list-style-type: none"> •Project Plan •Awareness Training •Project Scope | <ul style="list-style-type: none"> •Inventory •Processes impacted •Policies impacted •Training impacted •Prov. Cont. Anal. •Priorities Analysis | <ul style="list-style-type: none"> •Inventory •Impacted partners •Trading partner Risk Assessment | <ul style="list-style-type: none"> •Inventory •Systems impacted •Vendors impacted •Databases impacted | <ul style="list-style-type: none"> •Gap Listing •Gap Closure Approach •Costs | <ul style="list-style-type: none"> •Implementation Plan •Cost and resources needed •Risk Analysis |
| Tools | <ul style="list-style-type: none"> •Project Plan template •Issues Log •Risk Log •Communications Plan •ICD-10 Questionnaires | <ul style="list-style-type: none"> •Process Model & Activity Maps •ICD-10 Area Checklist | <ul style="list-style-type: none"> •Trading partner Assessment Survey | <ul style="list-style-type: none"> •Systems architecture •Capabilities assessment •Vendor assessment | <ul style="list-style-type: none"> •Cost Model | <ul style="list-style-type: none"> •Implementation Plan template •Testing Strategy template •Estimating Tool and Cost Model •Productivity Assessment Tool |



Data Analytics – How They Work

- The past 12 months of claims are mapped code by code to ICD-10 CM/PCS using the GEMS Maps
- Two Scenarios are Returned to Identify Potential Financial Risk
 - Minimum Payment
 - Maximum Payment
- Identify I-9 to I-10 Code Maps
 - Operational Risks
 - Documentation Risks





Data Analytics – The Potential Impact

Memorial Hospital

Potential Hospital Reimbursement under MS-DRGs using ICD-10-CM/PCS

MDC 01 Diseases and Disorders of the Nervous System

| | |
|--|---------------------|
| Total Current Payment - claims 2095 | \$25,107,470 |
| Minimum Potential Hospital Reimbursement | \$23,845,401 |
| Maximum Potential Hospital Reimbursement | \$25,693,261 |

Potential Risk by MSDRG

| DRG | Claims | Potential Revenue Loss \$\$ |
|--|-------------|--------------------------------|
| 25 Craniotomy & Endovascular PX | 109 | - \$161,643 |
| 85 Traumatic Stupor & Coma, Coma < 1Hr | 158 | - \$ 13,666 |
| Additional Risks | | |
| 314 Other Circ System Dx | 164 | - \$290,083 |
| 329 Major Small & Lg Bowel Px | 310 | - \$295,180 |
| 466 Revision of Hip or Knee Replacement | 57 | - \$178,846 |
| 469 Major Joint Replacement Lower Ext | 1046 | - \$ 60,583 |



ICD-10 CM Documentation Specificity Example

| Physician Specialty | Diagnosis | Additional ICD-10 Documentation Requirements | Possible ICD-10 Maps | Documentation Audit Results |
|--|--|--|----------------------|--|
| Anesthesia Cardiology Internal Medicine Neurology | Cerebral Artery Occlusion with Infarct 434.91 | Right Left Middle Anterior Posterior Cerebral Cerebellar | 16 | Location within artery not specified in radiology report or by physician |





Identifying Risk Areas

Diagnosis

Number of Times Reported

Possible I-10 Maps

Cerebral Artery Occlusion with Infarct 434.91

468

16

Diagnosis

Number of Times Reported

Possible I-10 Maps

Hematoma Complicating a Procedure 998.12

104

57

Procedure

Number of Times Reported

Possible ICD-10 PCS Maps

Antibiotic Injection/Infusion 99.21

5,257

44

Procedure

Number of Times Reported

Possible ICD-10 PCS Maps

Coronary Arteriography 2-catheters 88.56

915

51

Procedure

Number of Times Reported

Possible ICD-10 PCS Maps

Other Skin & Subcutaneous I&D 86.04

129

281



Questions ?



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