What does the Oct 2014
ICD-10 deadline mean for you?

Well... now we know!

On April 9, 2012, Health and Human Services released a proposed rule announcing a one-year delay of the ICD-10-CM/PCS implementation to **October 1, 2014**, bringing an end to the speculation about the delay occurring since February 2012 when the postponement of the deadline was first announced by HHS and CMS. Since the proposed rule will be published in the Federal Register on April 17, followed by a 30-day response period and incorporation of any feedback, it is anticipated that the final rule will be published in early summer 2012.

Despite speculation that the revised mandate would incorporate a staggered deadline for different health care providers and entities, an excerpt from a fact sheet published by CMS on April 9 states:

> *All covered entities must transition to ICD-10 at the same time to ensure a smooth transition to the updated medical data code sets. Failure of any one industry segment to achieve compliance with ICD-10 would negatively impact all other industry segments and result in rejected claims and provider payment delays. HHS believes the change in the compliance date for ICD-10, as proposed in this rule, would give providers and other covered entities more time to prepare and fully test their systems to ensure a smooth and coordinated transition among all industry segments. http://www.cms.gov/apps/media/press/factsheet.asp*

This announcement has been generally welcomed by the health information management and health informatics community; the consensus of many articles, website blogs and conversations with leaders and experts in this field is that this extended timing will give providers the necessary breathing room to more adequately prepare and plan for this complex implementation. The transition to HIPAA v 5010 has not been a smooth one; the industry should now be able to take advantage of the additional year to plan for the impact of the required changes and conduct the necessary testing of all affected systems, applications and processes that was not available prior to the January 1 2012 v 5010 implementation period.

The good news is that there is 2.5 years for this work to occur; the bad news is that there is 2.5 years for this work to occur!!

In many ways, it seems like the conversations heard in 2010 and 2011 are now being repeated. Despite the temptation to ease the pressure and relax the pace of implementation activities, all health care providers and organizations must continue to ensure that the essential activities and tasks necessary for an effective and high quality implementation remain in place and are being actively pursued. HIM professionals and others working in the area of ICD-10 implementation have repeatedly advised that projects such as clinical documentation improvement, process re-design in areas such as revenue cycle, physician queries and data quality, or education in basic, foundational bio-medical science will take an extended period of time to fully implement and complete.

> *Until further information becomes available on the exact nature of the delay, providers should continue to push forward with their implementation efforts, according to industry experts. "Even if they do delay ICD-10, especially for physician practices, this should not deter the infrastructure redevelopment to accommodate ICD-10's likely implementation in whatever time frame they do implement it, be it six, 12, 18, or 24 months from their previously announced date of October 1, 2013," said James S. Kennedy, MD, CCS, managing director of FTI Consulting in Brentwood, TN. Article published by Andrea Kraynak, for HealthLeaders Media , February 15, 2012*

What should your organization be doing *now*?

Following is an excerpt of an article published by Telus Health Transformation Services in October 2011, describing key strategies for an effective ICD-10 implementation. Despite the new Oct 2014 mandate, health care providers and health systems that do not have most (or at least some) of these activities and plans in place now are placing their organization in peril.

1. Develop an overall strategy and plan for your organization to determine the extent and impact of the work effort that will be required, identify key transition activities and interdependencies and determine resource requirements and allocations.

2. Recruit an Executive Sponsor – Having an executive sponsor on your side is critical, especially when seeking support for budget, resources, prioritization and other senior leadership interventions.

3. Create an internal/external communications plan – Communicating the ICD-10 strategy and plan is critical to all internal and external stakeholders to ensure stakeholder acceptance and commitment.

4. Educate stakeholders and areas on impacts and opportunities – Informing stakeholders how the transition will affect them is necessary to mitigate surprises and develop a complete awareness and understanding of the new ICD-10 requirements.

5. Perform an assessment of all the systems and business processes that could be impacted throughout the organization. Consider that the migration to ICD-10 will impact the business and clinical processes more than the systems, applications and interfaces. Business process workflows should be examined to determine if remediation efforts need to be taken.

6. Assign adequate project management and team resources for the life of the ICD-10 project over the next two + years. Include a wide variety of stakeholders, including physicians and other clinicians, on the project team so that they have a full understanding of the impacts of ICD-10 on their documentation requirements.

7. Assess and plan for the required education and training that will be necessary for multiple groups of resources and stakeholders throughout the organization, including

   - Health Information Management (HIM) professionals (regardless of departmental affiliation or the presence of centralized or decentralized coding practices),

   - Administrative and front office staff such as Registration or Scheduling departments,

   - Clinical staff - physicians and all other allied health professionals who may document in the patient health record),

   - Revenue Cycle and Business office support staff, including contract managers, documentation reviewers and corporate compliance officers,

   - Finance Department staff,

   - Departmental and other management staff including quality and utilization management, performance improvement and other key areas that may use or report ICD codes.

8. Align the ICD-10 project with Clinical Documentation improvement (CDI) initiatives and Case Management activities to ensure efficient and effective data capture and workflow processes. Leverage these initiatives to identify areas of collaboration, and reduce duplicative efforts, among all stakeholders working on these various program and service areas.

9. Conduct an audit of clinical documentation to ensure that the documentation policies and practices of all health care providers is adequate and complete. Due to the greater level of detail and specificity contained in the ICD-10-CM/PCS classification, it will be very important to review practices against the new demands for increased levels of detail to ensure that documentation can support more rigorous coding .

10. Determine financial exposure – It is necessary to understand how the transition will affect the finances of an organization, both in terms of the project and operational impacts over the next two years as well as the impact during and after the transition in October 2014. Planning for revenue loss or delay should begin as early as possible, including contingency planning for additional cash reserves to ease the negative impact related to increased turnaround time, productivity losses and delays in claims processing and adjudication.

Why TELUS Health

TELUS Health brings international experience to the complicated process of implementing ICD-10. We have successfully navigated several ICD-10 implementations in both the UK and Canada and bring lessons learned from both countries to your organization. We are experts in large scale program and project management.

Our partners CHIM Information Consulting Inc., a subsidiary company of the Canadian Health Information Management Association (CHIMA), provide the subject matter expertise to our clients in the areas of clinical documentation, education and training and revenue cycle impacts and improvements.