Medical Practices On Alert for ICD-10

No Laughing Matter

As medical practices and physicians are aware, **ICD-10 is scheduled to be implemented on October 1, 2014** in the United States, and it is no ‘laughing matter’. The massive scale of this change to medical billing and and collection is daunting with the medical biller code set increasing by approximately 10x to 16,000 codes and sub-classifications.

**Fears in the Medical Community Abound for ICD-10**

Billing and Coding Advantage, the official newsletter of Billing and Coding Magazine, published an article recently titled “ICD-10, No Laughing Matter” and notes that “many physicians ‘fear that the transition to the new coding system will funnel all their resources and ultimately force their practices to close”. Moreover, the article notes that “coming on top of all the other new changes caused by the Affordable Care Act, new HIPAA laws, and electronic medical records, many medical practices believe that this is bad timing to transition to ICD-10”.

**Begin ICD-10 Training Now and / or Seek Help**

If your medical practice has not yet begun training or defined the project to convert to ICD-10, Physicians Billing Service urges you to commence now.
The law requires that all HIPAA “covered entities” implement ICD-10 on-time. Notably, the CMS (Center for Medicaid and Medicare Services) recommends that medical practices prepare for the implementation over several years in order to prepare for software implementation, new processes, training, etc.

ICD is defined as the International Statistical Classification of Diseases and is in its 10th revision. Led by the World Health Organization (WHO), ICD-10 provides a uniform code set to identify diseases, injuries, symptoms and treatments. Interestingly, ICD-10 was originally scheduled to be implemented in 2009, and then 2013. By the time that the USA implements ICD-10, twenty-five countries will have adopted this code-set.

**ICD-10 Answers**

**How Much Time & Money Will ICD-10 Cost to Implement?**

A recent report by the MGMA (Medical Group Management Association) reports that the CMS (Center for Medicare & Medicaid Services) has underestimated the “costs and time required to implement” this complex code set.

**Cost to Implement ICD-10**

The study notes that the “total cost impact of the ICD-10 mandate” varies by practice type and is noted as follows:

- Small Practice ICD-10 Cost = $83,290.
- Medium Practice ICD-10 Cost = $285,195.
- Large Practice = $2.7 Million.

**Six Significant Areas That Will Be Impacted**

The ICD-10 study notes that this significant coding change will impact every aspect of business operations for physician practices and clinical laboratories including:

1. Staff Education and Training.
3. Changes to Superbills.
4. Information System Changes.
5. Increased Documentation Costs.

If you are wondering about the credibility of the study, you will be
impressed. Several prominent associations with outstanding reputations & integrity retained an outstanding firm, Nachimson Advisors to estimate “the cost impact of an ICD-10 mandate on three different provider practices”.

The Associations that retained the study include: ”The American Academy of Dermatology, American Academy of Professional Coders, American Association of Neurological Surgeons, American Association of Orthopedic Surgeons, American Clinical Laboratory Association, American College of Physicians, American Medical Association, American Optometric Association, American Physical Therapy Association, American Society of Anesthesiology, and the Medical Group Management Association”. To read the Fact Sheet on this new ICD-10 cost study, visit the MGMA web site.

Helpful Information
Download the New ICD-10 Implementation Guide

As my company, Physicians Billing Services interacts with Doctors and Medical Practices, my team and I are noticing a disturbing trend in that too many medical offices are not caring or paying attention to the go-live date for ICD-10 in 2014, and minimizing its impact. As we enter the Spring of 2014, it is not too late to get started.

Are Your Medical Billers Ready for ICD-10?

The CMS’s excellent ICD-10 Implementation Guide can be accessed via the internet and provides “step-by-step guidance on how to transition to ICD-10 for small / medium practices, large practices, small hospitals and payers”. In addition, the CMS ICD-10 online guide links to other helpful resources and tools to make the transition to ICD-10 as seamless as possible.

Whom Does ICD-10 Affect?

If your medical practices is covered by HIPAA (the Health Insurance Portability Accountability Act), then your medical practice is required to transition to ICD-10. ICD-10 is noted for being the 10th version of the ‘International Statistical Classification of Diseases and Related Health Problems’. This medical classification was constructed by the World Health Organization.

How Can You Get Your Medical Billers Ready for ICD-10 if You Are Running Behind?

If you are running behind on preparing the implementation of ICD-10, Physicians Billing Service would be glad to assist you with consulting services, staff training and assessment of the efficiency of your medical billing and collections.
Answers to Four Frequently Asked Questions

The AAPC (American Academy of Professional Coders) published an insightful article on August 8, 2013, that provides answers to four frequently asked questions about where to get started.

First and foremost, the article advises that medical billers should ensure that they are using the right coding set. For example, ICD-10-CM applies to diagnosis coding, while the ICD-10-PCS code set applies to hospital inpatient procedures.

1. **When Should You Start Training on ICD-10?**

The article recommends, and I concur, to begin training on ICD-10 as soon as possible. The magnitude of the +100,000 new medical codes that will occur with ICD-10 necessitate that medical billers get started early in learning about ICD-10. The article recommends sending “at least one person from your office now for ICD-10 training and have him or her report back the impact of transition”.

2. **“Is Coding the Only Area We Need to Focus on?”**

No the ICD-10 scope of change and transition goes beyond just coding changes. Physicians and Medical Billers will have to invest substantial time to update their operational processes. As early as possible, identify a project manager in your practice who can coordinate with your medical staff with respect to your budget, electronic medical record and billing “software upgrades, training needs” and quantify your “productivity loss / gain”.

3. **“What Are the Main ICD-9 vs. ICD-10 Differences?”**

The differences between ICD-10 and ICD’9 are substantial. The AAPC article summarizes the changes as follows:

- “ICD-10 codes are alpha numeric and up to seven characters in length; ICD-9 codes are only three to five characters.”
- “ICD-10 has 21 chapters; ICD-9 has 17.”
- “ICD-9’s V and E codes are incorporated into the main classification in the ICD-10 code:
  - Placeholders (X) are required to hold places followed by additional characters.
  - Seventh characters are required for obstetrics, injuries, and external causes of injuries.
  - Post-operative complications will now be located specific to the procedure-specific body system.”
- “ICD-10 will classify injuries first by specific site and then by type of injury. ICD-9 classified injuries by type.”
- “ICD-10 includes full code titles for all codes, so it is not necessary to reference back to common fourth and fifth digit categories.”
• “ICD-10 has combination codes for conditions and common symptoms or manifestations, for example E10.21 (Type 1 diabetes mellitus with diabetic nephropathy) and N30.01 (Acute cystitis with hematuria).”

4. “Is ‘x’ the Same in ICD-10 as it Did in ICD-9?”
Unfortunately ‘x’ does not mean the same thing in ICD-10. In ICD-10, ‘x’ “is a placeholder in ICD-10, so the dash has taken its place”. To read the full article, visit the AAPC web site.

Medical Biller Alert:
Do Not Expect Additional Delays with ICD-10

As a welcome relief to Physicians, Medical Practices and Medical Billers, there have seen many delays over the years in the implementation of ICD-10 (International Classification of Diseases, Tenth Revision).

At this point, one can no longer delay in preparing for ICD-10. As the AAPC notes, “Marilyn Tavenner, administrator of the Centers for Medicare & Medicaid Services (CMS), announced there will be no delay to implementation for ICD-10-CM and PCS, which is scheduled October 1, 2014. She then encouraged everyone in the industry to work diligently toward a successful transition”. This important warning was announced at the annual Health Information Management Systems Society (HIMSS) conference.

The scope and complexity of the ICD-10 implementation has many Medical Practices, Physicians and Medical Billers concerned - rightfully so. ICD-10 involves approximately a +10x increase in the number of medical billing codes, and even more daunting – changes to internal processes, training of staff, updates to software and more.
Glad to Assist You in Training for ICD-10
Do Not Delay in Preparing for ICD-10

At Physicians Billing Service, since 1989, we have proudly been assisting leading Medical Practices & Physicians with medical billing consulting and outsourced medical billing and collections.

My team and I are able to consult with your medical practice and train your staff, so that you are at ease regarding the scope of implementation of ICD-10.

We are committed to providing a hassle-free medical billing outsourcing experience that:

• **Increases cash flow** +25%. We lead the industry by collecting 75% of A/R within 30 days.

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