The Transition to ICD-10 and Version 5010
An Overview
Topics To Be Covered

• What exactly is changing?
• Why are the codes changing?
• Who is affected by the changes?
• Dates to know
• ICD-10: Key details
• Version 5010: Key details
• Resources to help you prepare
What Is Changing?

• Medical diagnosis and inpatient procedure code sets: ICD-9 → ICD-10

• HIPAA standards for electronic transactions: Version 4010/4010A → Version 5010
Why are the Codes Changing?

- ICD-9 produces limited data about patients’ medical conditions and hospital inpatient procedures
- ICD-9 is 30 years old, has outdated terms, and is inconsistent with current medical practice
- The structure of ICD-9 limits the number of new codes that can be created, and many ICD-9 categories are full
Who Is Affected?

Anyone who is covered by HIPAA:

- Health care providers across continuum of care
- Payers including Medicaid and Medicare
- Clearinghouses
- Third-party billing services

Some non-HIPAA covered entities that use ICD-9 codes:
- Worker’s compensation programs
- Life insurance companies
Dates to Know

- January 1, 2011: Providers, payers, others who work with electronic claims should begin **external testing** of Version 5010.

- January 1, 2012: Full implementation of Version 5010 – All electronic claims must use Version 5010 standards.

- October 1, 2013: Full implementation of ICD-10 – All claims for services provided after these dates must use ICD-10 codes.
Now Is the Time to Prepare

• Version 5010 and ICD-10 transitions require business and systems changes throughout health care industry

• Organizations need to have plans and budgets in place to avoid potentially rejected claims and delays in reimbursement
More on ICD-10

- ICD-10 CM/PCS consists of two parts:
  - ICD-10-CM for diagnosis coding in all health care settings
  - ICD-10-PCS for inpatient procedure coding in hospital settings

- CPT coding for outpatient procedures is not affected by the ICD-10 transition
ICD-10-CM replaces ICD-9-CM for diagnosis coding:

- ICD-9-CM diagnosis codes = 3 to 5 digits
- ICD-10-CM codes = 3 to 7 digits
- Overall format of ICD-10 diagnosis codes similar to ICD-9
ICD-10-PCS replaces ICD-9-CM inpatient procedure coding:

- ICD-9-CM procedure codes = 3 to 4 numeric digits
- ICD-10-CM codes = 7 alphanumeric digits
- ICD-10-PCS code format substantially different from ICD-9
- Unlike ICD-9, ICD-10 expands details for many conditions
More on ICD-10

- Provides more specific data than ICD-9
- Better reflects current medical practice
- Structure accommodates addition of new codes
More on Version 5010

• Refers to new HIPAA standards for electronic health care transactions
• Replaces Version 4010/4010A1 standards
• Accommodates ICD-10 code sets
More on Version 5010

Implementation Timeline

• Allows for a year of external testing:
  – January 1 to December 31, 2011
  – CMS begins accepting Version 5010 claims on January 1, 2011, and continues to accept Version 4010 claims as well through December 31, 2011

• Occurs in advance of ICD-10 transition to ensure any Version 5010 issues resolved before ICD-10 implementation
When Do I Need to Be Ready?

Remember the Dates

January 1, 2011
January 1, 2012
October 1, 2013
How to Prepare

The following are steps you can take to prepare:

- Identify your current systems and work processes that use ICD-9 codes
- Talk with your practice management system vendor about accommodations for both Version 5010 and ICD-10 codes
- Discuss implementation plans with all your clearinghouses, billing services, and payers to ensure a smooth transition
- Talk with your payers about how ICD-10 implementation might affect your contracts
How to Prepare

• The following are steps you can take to prepare:
  – Assess staff training needs
  – Budget for time and costs related to ICD-10 implementation, including expenses for system changes, resource materials, and training
  – Conduct test transactions using Version 5010/ICD-10 codes with your payers and clearinghouses
  – Stay up-to-date on ICD-10 resources and information from CMS
Resources to Help You Prepare

- CMS ICD-10 Web site: cms.gov/ICD10
- CMS ICD-10 Listserv: cms.gov/ICD10/02d_CMS_ICD-10_Industry_Email_Updates.asp
- CMS Materials
  - The ICD-10 Transition: An Introduction
  - ICD-10 Basics for Medical Practices
  - Talking to Your Vendors about ICD-10: Tips for Medical Practices
- Professional, clinical, trade associations
ICD-10 Basics for Medical Practices

The ICD-10 transition is coming on October 1, 2013. A missed chance, the transition to Version 2012 standards for electronic transactions (Eds 01 and Eds 02) will take place. Everyone covered by HIPAA is affected. Now is the time to prepare.

About ICD-10

ICD-10-CM/PCS (International Classification of Diseases, 10th Edition, Clinical Modification/ Procedure Coding System) consists of two parts:

1. ICD-10-CM for diseases coding
2. ICD-10-PCS for inpatient procedure coding

ICD-10-CM was developed by the Centers for Disease Control and Prevention for use in all U.S. health care settings. Diagnosis coding under ICD-10-CM uses 2 to 7 digits instead of the 3 to 5 digits used with ICD-9-CM, but the format of the code sets is similar.

ICD-10-PCS was developed by the Centers for Medicare & Medicaid Services (CMS) for use in U.S. inpatient hospital settings only. ICD-10-PCS uses 7 alphanumeric digits instead of the 3 to 4 numeric digits used under ICD-9-CM procedure coding. Coding under ICD-10-PCS uses much more specific and substantially different from ICD-9-CM procedure coding.

The transition to ICD-10-CM/PCS does not affect Current Procedural Terminology (CPT) codes, which will continue to be used for submitter purposes.

Visit www.cms.gov/ICD10 for ICD-10 and Version 5010 resources from CMS.

Talk to your practice management vendor about automation for both Version 2012 and ICD-10 codes. Contact your vendor and ask if they are planning to have automated coding system purchase, ask if it is Version 2012 and ICD-10 ready.

Discuss implementation plans with all your clearinghouses, billing services, and payers to ensure a smooth transition. It is proactive, don’t wait. Contact organizations you conduct business with such as your payers, clearinghouses, or billing services. Ask about their plans for the Version 2012 and ICD-10 compliance and when they will be ready to test their systems for both transitions.

Talk to your payers about how ICD-10 implementation might affect your contract. Because ICD-10 codes are much more specific than ICD-9 codes, payers may modify terms of contracts, payment terms, and other contract terms.

Identify potential changes to workflow and business processes. Consider changes to existing processes including clinical documentation, encounter forms, and public health reporting.

Assess staff training needs. Identify the staff in your office who codes, or have a need to know the new codes. There are a wide variety of training opportunities and materials available through professional associations, online courses, webinars, and on-site training. If you have a small practice, think about teaming up with other local providers. You might be able, for example, to provide

Confidence Timeline

JANUARY 1, 2015

- Forms and procedures should begin external testing of Version 2012 for electronic claims
- CMS begins accepting Version 2013 claims
- Version 2013 claims continue to be accepted

DECEMBER 31, 2015

- Internal testing of Version 2012 must be completed before January 1, 2016
- All electronic claims must use Version 2015

JANUARY 1, 2016

- All electronic claims must use Version 2015
- Version 2015 claims are no longer accepted

OCTOBER 1, 2013

- Claims for services provided on or after the effective date of Version 2015 claims must use Version 2015
- CPT codes will continue to be used for submitter services

The CMS ICD-10 Transition: An Introduction

On October 1, 2015, CMS’s ICD-10-CM codes will be used to report clinical diagnoses, ICD-10-PCS codes will be used to report inpatient procedures. To accommodate the ICD-10-CM codes, the transaction standards are being updated to Version 2015. The ICD-10-PCS codes will be used to report inpatient procedures. The transition to ICD-10 will occur when

- ICD-10-CM is used in all U.S. health care settings
- ICD-10-PCS is used for all inpatient hospital settings

ICD-10-CM is for use in all U.S. health care settings. Diagnosis coding under ICD-10-CM uses 2 to 7 digits instead of the 3 to 5 digits used with ICD-9-CM, but the format of the code sets is similar.

ICD-10-PCS is for use in U.S. inpatient hospital settings only. ICD-10-PCS uses 7 alphanumeric digits instead of the 3 to 4 numeric digits used under ICD-9-CM procedure coding. Coding under ICD-10-PCS uses much more specific and substantially different from ICD-9-CM procedure coding.

The transition to ICD-10-CM/PCS does not affect Current Procedural Terminology (CPT) codes, which will continue to be used for submitter purposes.

Who Needs to Transition?

ICD-10 will affect diagnosing and inpatient procedure coding for everyone covered by the health insurance in place and electronically submitted claims. Not just the submitters but all individuals covered by HIPAA. This includes not only HMO and PPO plans, but also Medicare, Medicaid, and other plans.

Health care providers, payers, clearinghouses, and billing vendors must be prepared to comply with the Version 2012 and ICD-10 transitions, which mean:

- New forms
- New codes
- New billing procedures
- New insurance claims
- New patient documentation

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Visit www.cms.gov/ICD10 for ICD-10 and Version 5010 resources from CMS.
ICD-10 Listserv Messages

Version 5010/D.0 National Calls

Throughout the implementation of Version 5010/D.0, CMS will be hosting a variety of national education calls that will inform the Medicare Fee-for-Service provider community of the steps that they need to take in order to be ready for implementation. These calls will also give participants an opportunity to ask questions of Medicare subject matter experts.

Please bookmark this link http://www.cms.gov/Versions5010andD0/V50/list.asp to the new 5010/D.0 National Calls web page to stay current on upcoming calls and view materials from past calls.

Keep Up to Date on Version 5010/D.0 and ICD-10.

For the latest news and resources, please visit www.cms.gov/ Versions5010andD0 for Version 5010 and http://www.cms.gov/ICD10/ for ICD-10 information.

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