

## SPECIAL BULLETIN

# Face Your Fears, Get to Work on the ICD-10 Conversion

Written by Janis Oppelt Sunday, 21 August 2011 20:18



Sound advice and solid guidance formed the foundation of the recent *HIMSS Virtual Briefing: Critical Factors of the ICD-10 Conversion*. The audio included five inter-related topics presented by 12 speakers with expertise in the steps required to make the transition to the ICD-10 system. Highlights of the briefing are provided below, but, first, here are a few important sound-bites delivered by speakers that emphasized the need to get started on the transition **now**, not later.

- "Create a sense of urgency. Even if you start today, you are already late." That shot of reality came from Jon Melling, practice director of Top Tier Consulting, as part of the session entitled *Failing to Plan Your ICD-10 Implementation? Then Plan to Fail*. In his presentation, he also urged providers to "think about ...the bottom line if you don't get it done. Measure it by cash flow and reduced payments."

- "My vendor's taking care of it is a fallacy," said Joe Nichols, MD, principal of Health Data Consulting. "You have too much at stake to give them that much power," he said in the session entitled *Finding Your Right Match: Choosing a Vendor Partner for Your ICD-10 Conversion Efforts*. Always keep in mind that vendors are going through the same process as providers, trying to determine what has to change,

- Stanley Nachimson, principal of Nachimson Advisors, LLC, and a consultant to the Workgroup for Electronic Data Interchange (WEDI) piggybacked on Melling's message: "The longer you delay the more you pay." As one of the speakers in the session entitled *The Journey to ICD-10: All Roads Lead to Initiation*, Nachimson posed the commonly asked question, "Where do we start?" He and other speakers provided the answers summarized below.

Although there are several steps that providers must take, the steps can be broken into two categories:

- *Internal preparation*—a complex and multi-faceted process involving several steps that will vary depending upon several factors, such as size of the organization; and

- *External preparation*, which includes working with your vendor and other trading partners.

### Form a Team and Assess Readiness

What systems and business processes need to be changed? Determining this will require an organization-wide evaluation. Be sure to inform and get buy-in and support from the top—the "C-suite" (the chief executive officer, chief operations officer, and/or chief financial officer).

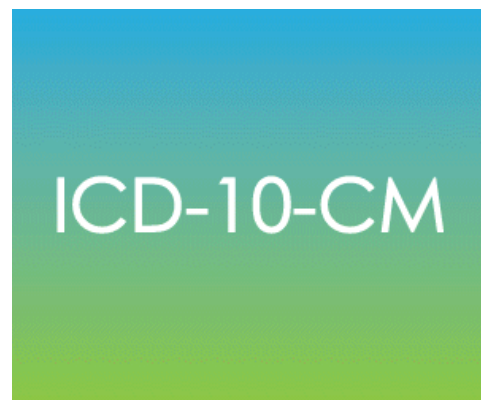
As Nachimson says, "This is not just an IT [information technology] or coding effort because it will impact [almost] everyone" in the healthcare facility, some more than others.

Therefore, create a senior-level steering committee or team that consists of subject experts from all departments (including, but not limited to, clinical, financial, IT, health information management [HIM], patient financial services [PFS] and others). Two **strong** project managers will be needed to coordinate efforts and ensure that all needed steps will be taken. One project manager should be from IT and the other from the business (non-IT) side of operations.

During team meetings, encourage members to ask the hard questions, and form workgroups that will conduct research, staff interviews, etc. to get those answers.

Members of this cross-functional team will need to conduct an **inventory of systems**, which should include those developed in-house as well as purchased software packages. Items to review include the following:

- HIM/coding systems (MS-DRG grouper, encoding software, abstracting systems, and compliance software);
- Revenue-cycle systems;



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### Develop and Initiate a Plan

Many times during the briefing speakers mentioned the importance of communication and the essential role it will play. *Everyone* in the organization or practice needs to know what and when things are going on, so it's important to create a communication plan at the start. Develop a set of clear, consistent, and concise messages concerning the implementation project to ensure that everyone is speaking with one voice. Also make sure the communication that occurs is a two-way street (between the team and other staff) and that it is facility-wide.

A successful transition requires a well-planned and well-managed process. Naturally, this will require a lot of effort and work. In this phase, you'll "spend lots of time...and learn as you go," says Melling.

The goal, of course, is to be ready to implement I-10 no later than October 1, 2013, and between now and that date, providers must determine what steps they need to take, how long each step will take, and how much money each step requires. Melling advises "backward planning" from the implementation date but, in fact, he and other speakers mentioned that systems and processes should be ready to test by the end of 2012. Meeting this date allows enough time for working out problems that present internally and externally (with vendors and trading partners).

After you identify the needed changes, sort the must-do tasks into manageable and understandable sections, and **prioritize** them in order of importance. For most providers, especially those with limited resources, the first priority should be to perform an overall assessment that covers the revenue cycle (any business system or process with financial impacts). In other words, focus on surviving financially, maintaining the bottom line, getting claims out the door, etc.

Another speaker, Rhonda Taller, regulatory product manager for Siemens Healthcare, highly recommends that providers use the American Health Information Management's (AHIMA) *ICD-10-CM/PCS Transition: Planning and Preparation Checklist*. (For this document, go to [http://library.ahima.org/xpedio/groups/public/documents/ahima/bok1\\_034622.hcsp?dDocName=bok1\\_034622](http://library.ahima.org/xpedio/groups/public/documents/ahima/bok1_034622.hcsp?dDocName=bok1_034622).)

The ultimate goal is to have a fully documented plan relating to which systems are affected, the scale of change ahead, and an outline of how those systems can be remediated. However, Melling warns that this won't be the end of analysis and that "planning goes on even after implementation. Things will sneak out of the woodwork."

### Provide Training

After addressing financial concerns comes ICD-10 training and many questions must be answered: Who needs to be trained besides coders, and how much training do they need? For example, HIM, patient financial services (PFS) and registration staff will require more detailed training than physicians and nonphysician practitioners. But physicians need more training than managers of clinical staff and others, who need only need a high-level overview of the new system.

Other questions to answer: Will training be delivered on-site and on demand, or will it be web-based? Will HIM leaders receive outside training and then in turn teach HIM staff? OR will you bring in an outside teacher or consultant?

By this time, most everyone has read that training should not be conducted until about six months before implementation. However, it's not too soon to start creating staff awareness and mentioning, and mentioning often, that ICD-10 is coming and coming soon. This, say speakers, helps to decrease the fears of change that surround it.

Opinions about how things will change for and about coders vary. Taller believes that each provider should have or hire at least one certified coder, and current certified coders should receive as much continuing education as they need to get up to speed. Also consider hiring new graduates who have been trained only in I-10.

### Anticipate Declines

Rumors circulate that coder productivity will drop, and coding and billing backlogs may be an issue for a while. Taller believes this is true since coders will be learning a new system. Providers also could experience reduced cash flow and increased accounts receivable (AR) days but, what's important is that you determine how you will mitigate risks.

There are also other concerns that may or may not have to be addressed, including a concern about a shortage of coders who know I-10 as well as current coders who intend to leave the profession rather than learn the new system.

### Contact Trading Partners

External preparation begins when you contact your payers, vendors and other trading partners. No testing can occur until everyone is ready, and your vendor must be the first to be ready. It follows that the sooner your vendor is ready, the better.

Since you are all in the same boat, expect and plan to collaborate throughout the planning and implementation processes as well as post-implementation, when you're working out any bugs that develop. Be a proactive participant, and make it a point to have someone keep the communication flowing with trading partners.



# TALK

As listed below, there are numerous questions that you will need to ask vendors with this being the primary one: Will they be ready to test when you are ready to test? Dr. Nichols advises the following: Identify what you need, not what the vendors can do. Ensure vendors can address your needs and that they'll be ready. But even before that, you must define your own criteria for "ready" because, as he says, "Ready is in the eyes of the beholder. How will you know when a vendor is ready, *really* ready?"

Speakers at the *HIMSS Briefing* provided a lot of other food for thought when it came to selecting and working with the vendors who will handle the technical switchover.

- What do your contracts with vendors cover? Make sure you understand whether and how your current vendors will support you through the transition and implementation and also clarify your own responsibilities.
- What are your vendors doing now to address the change to ICD-10 (development, delivery, software availability, etc.)? What are their plans and timing?
- Will they be charging any costs that you didn't foresee? For example, implementation and training may be extra.
- Will they be able to support both ICD-9 and ICD-10 if there is an overlap of claims' submission?
- How will you track and manage your vendor? What information will you track? Do you have a communication plan so you know the status of its progress?
- What happens if a vendor fails? Do you have a contingency plan? What if you have to move to another vendor and would that, in fact, be an option? What about cash flow if there's a failure? At what point must you take action?

Dr. Nichols also suggests that you choose several business scenarios that are high-volume and/or high-dollar cases, for example. Ask the vendor how it would handle a "disaster" related to these. Walk it through from beginning to resolution.

Perhaps the most important thing to remember is that the closer it gets to the October 1, 2013, the more vendors will be inundated with requests for help. The sooner you ask them for help and receive it, the better your chances to implement on time.

#### **About the Author**

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