

ICD-10 implementation

International Classification of Diseases, 10th Revision

Frequently asked questions:

International Classification of Diseases

ICD-10 implementation delayed to October 1, 2014

Q: What is ICD-10?

A: The health care industry is preparing for monumental changes as it transitions toward implementing the International Classification of Diseases, Tenth Revision, also known as ICD-10. ICD-10 is a new code set requirement that will record more detailed diagnostic information.

Upgrading to ICD-10 will:

- Provide better data for measuring health care service quality, safety and efficacy of care
- Allow clinical IT systems to record far more specific and rich diagnostic information
- Boost efficiencies by helping to identify specific health conditions

Q: When is the required date for implementation of ICD-10?

A: On August 24, 2012, the Department of Health and Human Services announced a one-year delay of the **implementation of ICD-10 to October 1, 2014.**

Q: Who is required to prepare for ICD-10?

A: The coding system conversion will affect the entire health care continuum. The sooner you assess your strengths and limitations regarding ICD-10 compliance, the sooner you can allocate the resources to transition smoothly to this new code set.

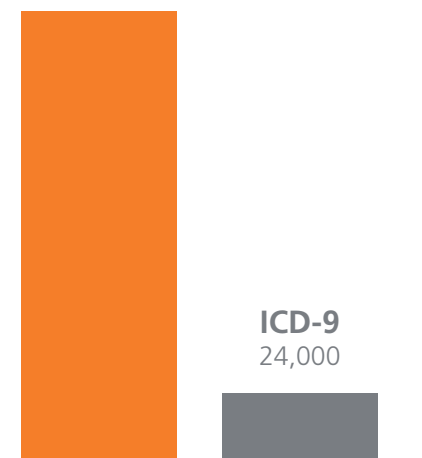
Q: How is Optum™ preparing for the ICD-10 transition?

A: Investments — Optum has invested more than \$10 million in preparation for ICD-10 and related technology migrations.

Solution upgrades — Optum is currently evaluating all solutions and services that will be impacted by the ICD-10 transition. Many solutions and services — including computer-assisted coding (CAC), encoding solutions and referential products — are already ICD-10 compliant. Remaining solutions and services that require upgrades or modifications to become compliant will be announced in the coming months. Detailed project plans and schedules are being developed now. All currently supported solutions and services will be ICD-10 compliant well before the Oct. 1, 2014, deadline. Details about upgrades, modifications and migration plans will be announced in the coming months.

Testing — Optum will test its solutions and services for ICD-10 compliance well before the Oct. 1, 2014, deadline, and provide its customers with methods to test their existing solutions for compliance. Details will be announced in the coming months.

ICD-10
155,000



Count of diagnosis and procedure codes: 155,000 ICD-10 vs. 24,000 ICD-9

Q: Why did the Centers for Medicare & Medicaid Services delay ICD-10 implementation?

A: The Centers for Medicare & Medicaid Services (CMS) delayed ICD-10 implementation due to industry feedback that many entities would not be prepared for the Oct. 1, 2013, implementation date. CMS cited similar difficulties experienced with the adoption of HIPAA Version 5010, and compliance time frames for other statutory initiatives. After the delay was proposed in April 2012, more than 500 comments were submitted and reviewed by CMS prior to the final ruling in August 2012.

Q: How does the one-year implementation delay to October 1, 2014, impact payers and providers?

A: The one-year delay allows stakeholders to better prepare for the transition to ICD-10. One way stakeholders can prepare is by conducting more rigorous delivery site claims testing with payers and vendors.

Optum will continue to work toward ICD-10 implementation on Oct. 1, 2014. The additional year will also allow us time for continued delivery site claims testing to ensure a smooth transition to ICD-10.

Q: What does Optum recommend for network providers about the transition to ICD-10?

A: Physicians and facility partners who have not yet begun planning for the transition to ICD-10 need to begin immediately. Those who have already begun ICD-10 transition plans should continue on course to ensure a successful transition. Implementation planning is critical to the success of ICD-10, including testing the new system and communicating with health plan partners prior to Oct. 1, 2014. Being prepared can significantly improve how your organization fares during this transition by minimizing the financial and productivity impacts in the first years of implementation. Preparation also avoids any potential issues with the CMS partial code freeze that is in place until Oct. 1, 2015.

Q: What is the ICD-10 implementation deadline?

A: The Department of Health and Human Services (HHS) has mandated that all covered entities (health plans, health care clearinghouses and certain health providers) that bill Medicare for services must begin using the ICD-10 code set on Oct. 1, 2014. There are two ICD-10 code sets: the International Classification of Diseases, 10th Edition, Clinical Modification (ICD-10-CM); and the International Classification of Diseases, 10th Edition, Procedural Classification System (ICD-10-PCS).

The Oct. 1, 2014, deadline is an extension of HHS' original implementation deadline of Oct. 1, 2013. The extension was granted based on the urging of stakeholders throughout the industry who expressed serious concerns about their ability to meet the Oct. 1, 2013, compliance deadline, and research that detailed the industry's progress toward meeting the deadline. Approximately 50 percent of providers did not know when they would complete their impact assessment of the ICD-10 transition, according to a February 2012 survey conducted by the Workgroup for Electronic Data Interchange (WEDI).

Q: Will there be a grace period for submitting ICD-9 claims after the deadline?

A: The Centers for Medicare & Medicaid Services (CMS) has stated that it will not accept claims using ICD-9 for discharges on or after Oct. 1, 2014. From that date forward, only claims encoded using the ICD-10 code set will be accepted. Commercial payers and state Medicaid plans are also requiring providers to begin using the ICD-10 code set on Oct. 1, 2014.

Optum will use what is called a soft cutover. Claims with dates of service prior to October 1, 2014, will use ICD-9 codes and can be submitted for several months after the ICD-10 go-live date of Oct. 1, 2014. The final date for claims that can be submitted with ICD-9 would be almost Oct. 1, 2015, as adjustments need to be able to be submitted with ICD-9 codes up to 12 months post-date-of-service. As of Oct. 1, 2014, Optum will be able to accept ICD-10 codes for dates of service after Oct. 1, 2014.

Q: Will Optum clearinghouses support the dual use of ICD-9 and ICD-10 codes?

A: Yes. Optum has the capability of accepting claims with ICD-9 codes and claims with ICD-10 codes. It will also have the capability to send ICD-9 or ICD-10 claims to the respective payers, based on the payer's requirements. During the ICD-10 testing phase, Optum will be supporting both ICD-9 and ICD-10. The ICD-10 ruling states that the adoption of ICD-10 must be completed by Oct. 1, 2014, and Optum will be prepared for this date as well as any Industry shifts that may occur between now and the mandated date. Optum will be prepared to handle both ICD-9 and ICD-10 during the transitional adoption period as defined by CMS.

Q: Where can I find more information?

A: Visit the Centers for Medicare and Medicaid Services official website, <http://www.cms.gov/Medicare/Coding/ICD10/index.html?redirect=/icd10> for additional resources, fact sheets and frequently asked questions supporting the ICD-10 transition.

How should organizations assess the impact of ICD-10?

The American Health Information Management Association (AHIMA) has published a list containing many of the systems that will be affected by the ICD-10 transition. The list includes the following systems that are used at physician practices, hospitals, payers and clearinghouses. Organizations need to evaluate the systems listed below to determine if they are ready for ICD-10, or if collaboration with vendors will be required to modify or upgrade the systems and services, which include:

- Accounting systems
- Aggregate data reporting
- Billing systems
- Case management
- Case-mix systems
- Clearinghouse EDI systems
- Clinical protocols
- Clinical reminder systems
- Clinical systems
- Decision-support systems
- Disease management systems
- Encoding software
- Medical necessity software
- Medical record abstracting
- Payer claims adjudication systems
- Performance-measurement systems
- Physician practice management systems
- Provider profiling systems
- Quality management
- Registration and scheduling systems
- Test-ordering systems
- Utilization management

How do I begin ICD-10 implementation planning?

The American Medical Association publication, *Preparing for ICD-10-CM: Making the Transition Manageable*, suggests the following key steps to begin the transition to ICD-10:

1. Organize a project team and resources for project completion.
2. Conduct preliminary impact analysis.
3. Create an implementation timeline.
4. Develop an ICD-10-CM implementation budget.
5. Analyze documentation needs.
6. Develop a communication plan.
7. Develop a training plan.
8. Complete information system design and development.
9. Conduct a business process analysis.
10. Conduct a needs assessment.
11. Complete deployment of the system changes.



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