

ICD-10 CM: Do Your Gap Analysis Now!

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The Gap Analysis

Healthcare organizations do them all the time. They are usually defined as the difference between the tools, processes and resources that you need to make your organization run smoothly compared to what it currently has available. In the case of ICD-10 CM, it is not a matter of the difference between where the organization is today, and where it would like to be down the road. The ICD-10 CM is coming to fruition and healthcare organizations need to be ready.

The DHHS is not crying wolf. However, our concern is that healthcare community may think so. This is because ICD-10 was originally proposed in the early 90's, in a lesser electronic age (pre-HIPAA) than in 2008 and beyond. The DHHS and major healthcare regulatory organizations now understand that to wait any longer to implement ICD-10 means an even higher cost to implementation, as healthcare continues to grow in complexity. The United States is one of the last industrial nations to adopt this more specified diagnostic and procedure coding system. The ICD-10 CM better matches the needs of current U.S. healthcare electronic capabilities, medical technologies and diagnostic capabilities. In addition, the system better identifies severity of illness, which is a critical piece to the new MS-DRGs. Adopting the ICD-10 most likely will reduce physician and hospital claim form denials due to medical necessity requirements being met due to the higher code set specificity. This is because the number of diagnostic codes under ICD-10-CM is almost 10 times that of ICD-9. The ICD-9 is approximately 13,500 diagnostic codes compared to 120,000 in ICD-10 CM. In regard to inpatient procedures, ICD-10 PCS is a little less than 200,000 procedure codes, versus ICD-9's 4,000 codes.

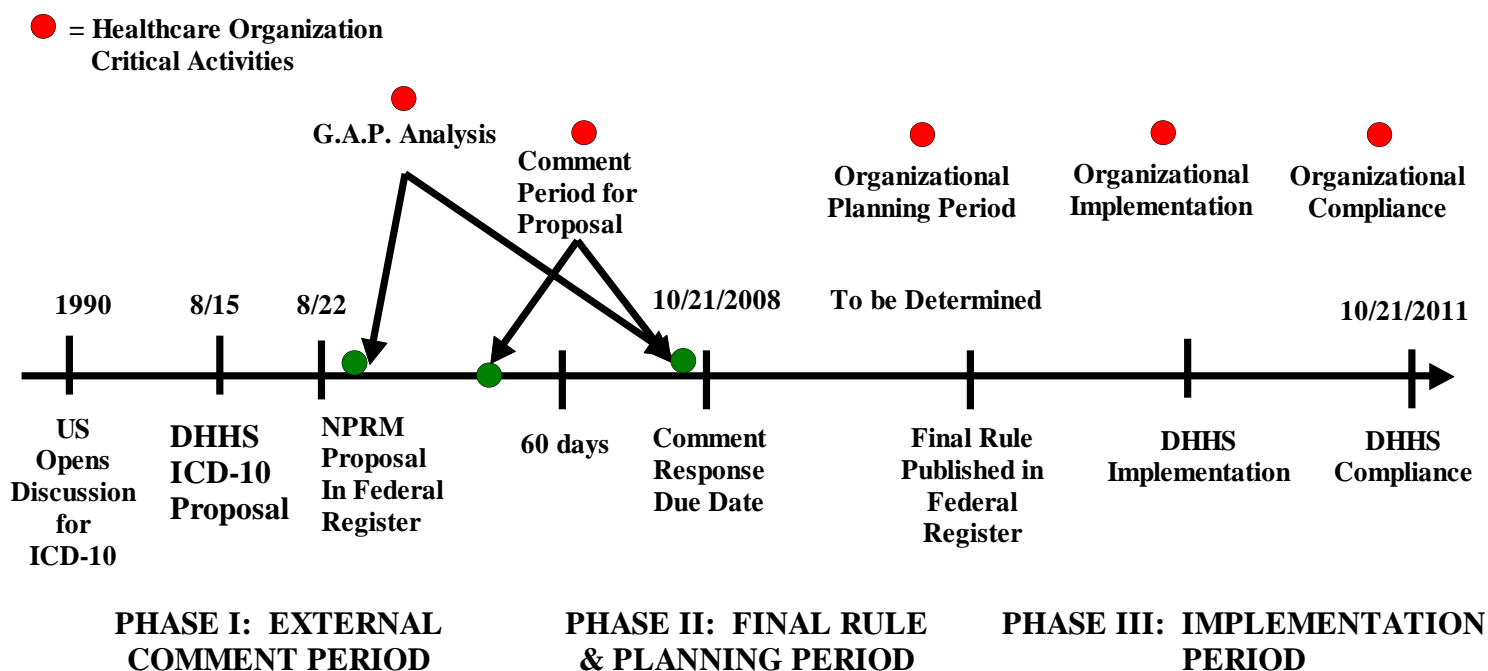
The Timelines

If your healthcare organization has not already completed its gap assessment and readiness analysis for ICD-10, then wait no more. All organizations need to

know where they stand and what they will need to do when the DHHS announces the implementation and compliance dates for the new code set. ICD-10 will be a major transition for any healthcare organization, be it physicians, hospitals, or ancillary care services. Information system vendors, insurance companies, payers, researchers, morbidity registries, such as chronic disease registry, and epidemiologist and vital statistics reporters will also share the impact.

Taking action now, allows the stakeholders of this change an opportunity to make the most logical and beneficial decisions based on their gap assessment. The healthcare organizations need to stay one step ahead of the actual decision-making processes of the DHHS. Using the chart below, ICD-10 Gap Analysis, Activities and Timelines, may assist you in staying a step ahead.

ICD-10 GAP ANALYSIS, ACTIVITIES & TIMELINES



Source: Meyer & Meyer 2008

The Impact!

The change to ICD-10 takes healthcare organizations from a 3, 4, and 5 digit numeric system, to a 7 digit-alphanumeric system. There will be a learning curve in order to use ICD-10 CM accurately. There will be implementation needs for the organization, i.e., identifying all computer applications that require, use, capture and reporting of diagnostic codes. Updating databases, an/or making sure your vendors are timely in their updates and compliance will also be necessary. This change also means “building” knowledge in cross-coding from ICD-9 to ICD-10, and achieving skill within the organization in order to compare historical data from one code system to the current data of the new code system. See ICD-10 Transition Chart Example using Diabetes

2008 ICD-9-CM	2008 WHO ICD-10 (In US, currently used for Mortality Reporting)	ICD-10-CM (Proposed for Morbidity Reporting)
250.X	E10.X Insulin- dependent	E08 Diabetes due to underlying condition
4th digit identifies type of complication	E11.X Non-insulin dependent	E09 Drug or chemical induced diabetes
5th digit “1” identified juvenile-onset	E12 Malnutrition- related	E10 Type 1 diabetes
5th digit “0” identified adult-onset	E13 Other specified	E11 Type 2 diabetes
	E14 Unspecified	E13 Other specified diabetes mellitus
	4th digit for type of complication	E14 Unspecified
		4th, 5th, and 6th digits identify type of complication

Steps to Success

There are typically ten important steps that an organization should perform when doing the gap analysis for any change. They are, 1). Act (in the case of ICD-10, do it now), 2). build organizational awareness 3) identify your stakeholders, 4) form an interdisciplinary project management team 5) develop a(n) (ICD-10)

strategy 6) address implementation issues 7) budget for the change, 8) establish timelines, 9) manage the change, 10) communicate and educate.

In the case of ICD-10 CM, leadership may start the process by creating awareness throughout the entire organization, developing a multi-year, interdisciplinary steering committee, and most important provide the budgeted resources to achieve success. There will be a need to finance continuing education, information system updates, HIM and clinical services transitions within the organization. Starting now, will insure success during and after implementation.

Healthcare Resource References:

AHIMA (2008) ICD-10. www.ahima.org/icd-10

CMS (2008) ICD-10-PCS www.cms.hhs.gov/ICD10

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DHHS (2008) ICD-10 and HIPAA Federal Register Notices. Government Printing Office.

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National Center for Health Statistics (2008) ICD-10-CM.

www.cdc.gov/nchs/about/otheract/icd9/icd10cm.htm

National Center for Health Statistics (2008) Guidance for the use of ICD-10-CM: Official Coding and Reporting guidelines available at <http://www.cdc.gov/nchs/about/otheract/icd9/icd10cm.htm>.

National Committee on Vital and Health Statistics: <http://www.ncvhs.hhs.gov>

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