ICD-10 Update
W. Jeff Terry, MD
September 20, 2014

ICD-10 Timeline - 1
* ICD is the acronym for International Classification of Diseases and is copyrighted by the World Health Organization (WHO) in its 10th revision.
* Primary purpose is for vital statistics and epidemiological tracking of illness and injury.
* ICD was first published in 1900 and ICD-9 was introduced in the US in 1979.
* HIPAA law requires CMS to adopt appropriate standards and code sets and led to their setting a timeline for ICD-10.

ICD-10 Timeline - 2
* November, 2011: AMA resolution calls to “vigorously work to stop the implementation of ICD-10.”
* November, 2012: Another AMA resolution calls to “vigorously advocate that CMS eliminate the implementation of ICD-10.”
* April 24, 2013: Introduction of H.R. 1701 and S. 972 the “Cutting Costly Codes Act of 2013.”
CMS Rejects the AMA’s Request to Halt ICD-10 Based on 2nd Resolution

H.R. 1701 & S. 972 – Cutting Costly Codes Act of 2013

GENERAL.—The Secretary of Health and Human Services may not implement any regulation that provides for the replacement of ICD–9 with ICD–10.

GAO REPORT ON ICD–9 REPLACEMENT:
(1) STUDY.—The Comptroller General of the United States shall conduct a study to identify steps that can be taken to mitigate the disruption on health care providers resulting from a replacement of ICD–9.
(2) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Comptroller General shall submit a report on such study. The report shall include suggestions on a replacement and any steps as may be appropriate to mitigate the disruption resulting from such replacement.

ICD-10 Timeline - 3


* June, 2014: AMA resolution to work diligently with Congress to permanently remove the unnecessary administrative burden on physicians of ICD-10 implementation and also asked for the study which was called for in H.R. 1701.

* July 31, 2014: CMS issues a final rule without opportunity to comment setting the new compliance date at 10/1/15.

* Here we are now with work mostly being done by individuals.
One of many ICD-10 un-truths

CMS and industry say that one of the main reasons for implementing ICD-10 is that we are the only nation who has not done so.

They don’t tell you that the United States is the only country that will use all of the approximately 90,000 codes, and the United States is the only country that will use it for billing purposes, that will use it in the outpatient setting, and that puts the cost of implementation on physicians and the private sector.

ICD-10 Benefits (from CMS) - 1

With more detailed coding ICD-10 can help to better coordinate a patient’s care across providers. ICD-10 improves quality measurement and reporting; facilitates the detection and prevention of fraud, waste, and abuse; and leads to greater accuracy of reimbursement for medical services. ICD-10 will improve data capture and public health surveillance and reporting, national quality reporting, research and data analysis, and provide detailed data to enhance health care delivery.

ICD-10 Benefits (from CMS) - 2

Using ICD-10, doctors can capture more data, and they can better understand important details about the patient’s health than with ICD-9. The level of detail that is provided by ICD-10 means researchers and public health officials can better track diseases and health outcomes. Additionally, ICD-10 captures the severity and stage of diseases such as chronic kidney disease, diabetes, and asthma.
There has never been a peer-reviewed study clearly demonstrating that requiring all doctors and hospitals to switch to either EMR’s or ICD-10 will decrease errors or improve patient care. But that doesn’t stop Washington and others with undisclosed financial conflicts of interest from repeating these claims over and over again until people believe them as facts in order to push their agenda.

The impetus for the move to ICD-10 is founded in the inability of ICD-9 codes to support data essential in furthering medical research, outcomes management, and improved reimbursement systems. (no mention of any benefit to individual patient’s care)

Moving to ICD will require tremendous effort and can incur incredible cost for health care organizations & physicians

Changes will be comprehensive, effecting medical coding operations, software systems, reporting, administration, registration and more.

The clinical modification of ICD-10 is referred to as ICD-10-CM, and it is intended to replace ICD-9-CM, volumes 1 & 2. These are physician codes.

The procedure coding system of ICD-10 is referred to as ICD-10-PCS, and it is intended to replace ICD-9-CM, volume 3. These are hospital codes.

ICD-10-CM has 68,000 codes and ICD-10-PCS has more than 87,000 codes

Someone in Congress said we have to implement ICD-10 in order to know exactly how many codes there are.
2014 AMA Study on the Cost of Implementing ICD-10 for Physician Practices

Small practice: $56,639 - $226,105
Medium practice: $213,364 - $824,735
Large practice: $2,017,151 - $8,018,364

The above costs are astronomical however what is more important to realize is that if you are not ready, and if all of your vendors are not ready on Oct. 1, 2015 and if everything doesn’t work perfectly on that one day then your income plummets to zero, and if you do not have a friendly banker then you are out of business. How did things work on 10/1/13 or recently with the easier task of setting up a website for the Sunshine Act?

Transition to ICD-10-CM

* Encounters that take place on or after October 1, 2015 are reported with ICD-10-CM codes.

* Encounters that take place before October 1, 2015 are reported with ICD-9-CM codes.

* You will have to run simultaneous systems of ICD-9 and ICD-10 until all your claims from before October 1, 2015 have cleared.

* ICD-10 is mandated by the Dept of HHS and is required for all health care providers, billing agencies, clearinghouses, and payors, not just Medicare and Medicaid.
Transition to ICD-10-CM (CMS)

If implementation does not go right then millions of claims will be returned and physicians will experience devastating cash flow problems. Lack of reimbursement will force practices to shut down, making medical services inaccessible to patients and/or forcing physicians to ask patients to pay up front, out-of-pocket, for medical services, which, aside from being barred by the terms of some insurance programs, would be extraordinarily burdensome to patients.

AMA & AHIMA at odds on ICD-10

While the AMA is calling for a halt to ICD-10, the American Health Information Management Association (AHIMA) is countering by urging all to stay the course toward the Oct. 1, 2014 deadline.

The AMA asked Secretary Kathleen Sebelius “to make good on its commitment to improve the regulatory climate for physicians, and immediately halt the Health Insurance Portability and Accountability Act (HIPAA) required implementation of ICD-10, as well as re-evaluate the penalty program timelines associated with the numerous Medicare health IT programs underway today.”

However, AHIMA argued for staying the course on ICD-10 saying it would improve quality of care, provide important public health surveillance, support modern-day research, and move to a payment system based on quality and outcomes. None of these statements have been proven to be true.

Expansion in number of diagnosis codes

* ICD-9-CM 14,433 codes
* ICD-10-CM 69,368 codes
* Codes = 3, 4, 5, 6 or 7 characters both alpha and numeric
* Various code comparisons:
sprained ankle: ICD-9 = 4 and ICD-10 = 72
urethral stricture: ICD-9 = 6 and ICD-10 = 22
phimosis: ICD-9 = 1 and ICD-10 = 8
infertility: ICD-9 = 4 and ICD-10 = 25
Where are we today on ICD-10?

* ICD-10 in its present form should be stopped. The desires of industry should not be placed over the desires of the practicing physicians in this country.

* We need to look at implementation alternatives that would protect the medical profession.

* Perhaps ask for the study called for in H.R. 1701 or do our own study.

My Ideas on ICD-10

* Uncouple the ICD diagnosis code from the CPT code that we use for billing. This would allow physicians to code for their services as usual and they would continue to be paid as usual on 10/1/15. Also decrease the massive number of codes

* Use ICD-9 and ICD-10 concurrently for a year so that physicians and the industry could slowly adopt ICD-10 and work out the problems.

My Ideas on ICD-10

* Cold Turkey adopt ICD-10 on 10/1/15 and CMS would simply not penalize physicians for mistakes in the 1st year (grace period).

* Scrap ICD-10 all together and wait for ICD-11. When the WHO introduces ICD-11 in 2017 then let’s all work together to make it better and ready to be implemented in the early 2020’s after Obamacare.
Repeat a critical point on ICD-10

* There are two major problems with ICD-10. The massive number of codes and the way it is to be implemented.

* The diagnosis should have nothing to do with the payment. How did these things ever get connected?

* This is the main way that payment for physician services is denied or delayed – nothing to do with preventing fraud.

---

The Debate

This debate ultimately is not about big hospitals and insurance companies losing money invested in ICD-10. It is not about having more detail to enhance quality outcome measurement and value based purchasing programs. This debate should be about patient care and providing an environment where physicians can thrive and devote all of their energies to medical issues for the benefit of their patients.

---

Professionalism

Professionalism - the status of being considered as a true professional, is not a technical or legal definition. Rather it is a social contract between a group (in this case physicians) and society that is based on trust. The social contract carries with it certain responsibilities and corresponding privileges as follows:

<table>
<thead>
<tr>
<th>Responsibilities</th>
<th>Privileges</th>
</tr>
</thead>
<tbody>
<tr>
<td>To establish and continuously advance a valid body of knowledge that is applied for the public good.</td>
<td>Recognition and respect as a learned individual (or group) who acts for the public good and contributes to society.</td>
</tr>
<tr>
<td>To share knowledge freely among the members of the profession and make it available for public scrutiny (i.e., not monopolize it for purposes of gainful leverage).</td>
<td>Freedom to determine the standards of training, conduct, and practice from within the profession rather than being subject to externally generated standards and enforcement.</td>
</tr>
<tr>
<td>To establish, maintain, and apply standards of educational practice that are aimed at ensuring excellence.</td>
<td>Freedom to exercise professional judgment in the application of the body of knowledge, without external judgment except by one’s peers.</td>
</tr>
<tr>
<td>To maintain professional capability within acceptable limits of the current state of the art through lifelong participation in continuing education.</td>
<td>Freedom to earn a living from the practice of one’s profession and to establish the basis for the economic relationship with those being served without external interference.</td>
</tr>
<tr>
<td>To establish, maintain, and apply standards of educational practice that are aimed at ensuring excellence.</td>
<td>Freedom to exercise professional judgment in the application of the body of knowledge, without external judgment except by one’s peers.</td>
</tr>
<tr>
<td>To adhere to a code of behavior (ethics) that may be more demanding than prevailing civil law.</td>
<td>Freedom to earn a living from the practice of one’s profession and to establish the basis for the economic relationship with those being served without external interference.</td>
</tr>
<tr>
<td>To adhere to service as a fundamental ethic that puts the interests of those being served above self-interest, and to act as an advocate of those being served.</td>
<td>Are we losing our profession? I dare say we have lost the bottom three privileges above. I believe it will take a change in physicians attitude, more involvement in organized medicine and increased leadership in the community to preserve our profession for the next generation. We need the support of the community in everything we do and not just the present.</td>
</tr>
<tr>
<td>To contribute to society beyond the practice of the profession per se by being active in the community.</td>
<td></td>
</tr>
<tr>
<td>To engage in debate, self-examination, and the correction of mistakes on a voluntary and continuing basis.</td>
<td></td>
</tr>
<tr>
<td>To do all of the above in a spirit of caring and respect for the dignity of those being served.</td>
<td></td>
</tr>
</tbody>
</table>
The Philosophy Behind ICD-10 and Health Care Reform seems to be:

**Washington Knows Best?**

---

The Cost of Technology
Elizabeth Toll, MD
JAMA June 20, 2012

---

Value