

ICD-10 Preparation Checklist (2004-2007)

Save to myBoK

Editor's note: An updated version of this checklist is available [here](#).

2004

The first stage of preparation involves two major tasks: creating an implementation planning team and starting the initial education process. Together, these actions demonstrate a clear direction for your healthcare organization.

Target Audience

- HIM managers
- Coding professionals
- Senior management
- Medical staff
- Financial management (including accounting and billing personnel)
- Information systems personnel
- Department managers

Goals

1. HIM managers and coding professionals should educate themselves on the benefits and value of ICD-10-CM and ICD-10-PCS—particularly within the context of national healthcare data quality.
2. HIM managers and coding professionals should understand regulatory process for adoption, anticipated implementation timeline, and variables affecting the timeline and ICD-10-CM and ICD-10-PCS implementation process.
3. HIM managers and coding professionals should learn how ICD-10-CM and ICD-10-PCS fit into the electronic health record and the national healthcare information infrastructure.
4. HIM managers and coding professionals should learn the structure, organization, and unique features of ICD-10-CM and ICD-10-PCS and gain a moderate level of familiarity with the coding systems.
 - Attend educational sessions
 - Audio seminars
 - Convention presentations
 - Local conference presentations
 - Online training
 - Read *Journal of AHIMA* and electronic articles
 - Pertinent feature articles
 - “Word from Washington” columns
 - E-alerts
 - ICD-10 columns
 - E-HIM columns
 - AHIMA practice briefs
 - CodeWrite (in the Coding Community of Practice [CoP])
 - Participate in AHIMA’s ICD-10 Implementation CoP.
 - Stay abreast of news and announcements on AHIMA’s HIPAA and Coding CoPs.
 - Read the AHA and AHIMA ICD-10-CM field-testing report in the FORE Library: HIM Body of Knowledge (BoK).

- Stay abreast of news and announcements provided by AHIMA in order to stay informed on status of adoption and implementation.
5. Begin developing your organization's implementation strategy.
- Establish a multidisciplinary team to oversee implementation (include representatives from HIM, senior management, medical staff, financial management, and IS). It would be beneficial to include both an HIM manager and a coding representative.
6. Educate senior management, IS personnel, department managers, and medical staff on the coming transition to ICD-10-CM and ICD-10-PCS and the necessity for this transition (e.g., department managers' meetings, medical staff meetings, specialized meetings with senior management and IS).
- Orient senior management on:
 - Value of new code sets
 - Adoption and implementation process (including timeline)
 - Preparation and transition effects on organizational operations (e.g., changes to systems, processes, policies and procedures)
 - Impact on coding productivity and accuracy
 - Budgetary considerations
 - Orient IS personnel on the specifications of the coding systems. They will need to know them to implement the systems changes. The following questions should be addressed:
 - What is the character-length specification for ICD-10-CM and ICD-10-PCS codes?
 - Is it alphabetic, numeric, or a combination of both?
 - Can it be obtained in a machine-readable form?
 - What coding systems will it replace, and when will it replace them?
 - Is a crosswalk available?
 - How many systems will be affected and what types of systems changes will need to be made? (See list of specific examples under 2005.)
 - Orient department managers on:
 - Value of new code sets
 - Expected timeline for approval and implementation
 - Differences between ICD-10-CM and ICD-10-PCS and how each is used
 - Impact on each particular department and budgetary considerations
 - Orient medical staff on:
 - Value of new code sets
 - Expected timeline for approval and implementation
 - Implementation plan and how it can be used by the physicians in their own practice
 - Impact on individual physicians and their budgetary considerations
 - Impact and expectations on documentation practices
 - Once the notice of proposed rule-making (NPRM) is published, educate all of the above on key provisions.
7. Information systems personnel should initiate discussions with vendors as to when they expect to have product enhancements available.
8. Assess adequacy of staff knowledge and medical record documentation.
- Audit random samples of various types of medical records to determine adequacy of documentation to support level of detail in new coding systems. In 2004 AHIMA will be developing a clinical documentation assessment tool, which will be available in the BoK, to assist with this process.

- Assess coding personnel's skills to identify knowledge gaps in the area of medical terminology, anatomy and physiology, pathophysiology, and pharmacology to ensure that clinical knowledge meets the requirements of ICD-10-CM and ICD-10-PCS. Use AHIMA's self-assessment tool, Clinical Knowledge Assessment, which will be available in the BoK in 2004.
- Identify weaknesses where additional education would be beneficial.

9. Estimate budgetary requirements for education and systems changes.

- Identify the specific departmental budget(s) that will be responsible for the cost of systems changes, hardware and software upgrades, and education.
- Include a part of the total cost in each year's budget through the year of implementation (starting in 2005).

10. Educate medical staff on medical record documentation requirements of new coding systems through specific examples, emphasizing the value of more detailed data rather than the regulatory requirement aspect.

11. Be willing to serve as an advocate for ICD-10-CM and ICD-10-PCS implementation.

- After the NPRM on ICD-10-CM and ICD-10-PCS adoption is published, submit comment letters and encourage employer organization and physicians to submit a comment letter to the Department of Health and Human Services in support of adoption, providing comments on proposed implementation and coding system maintenance processes.

12. Bonus credit—download coding systems from the Centers for Medicare and Medicaid Services and National Center for Health Statistics Web sites and practice coding a few records to increase familiarity with the new coding systems.

- Download ICD-10-CM information at www.cdc.gov/nchs/about/otheract/icd9/icd10cm.htm
- Download ICD-10-PCS information at www.cms.hhs.gov/paymentsystems/icd9/icd10.asp

2005

This stage involves two major tasks: identifying and budgeting for required IS changes and assessing, budgeting, and implementing clinician and coder education in the areas identified. Also include any items carried over from 2004.

Target Audience

- | | |
|--------------------------------|---|
| •HIM managers | •Senior management |
| •Information systems personnel | •Vendors (contract coding, software) |
| •Data users | •Business associates (including payers) |
| •Medical staff | |

Goals

1. Assess the extent of systems changes and determine the associated budgetary assessments and compare them with initial budget estimates.
 - The implementation planning team should work with IS to perform detailed analysis of systems changes that need to occur. Prioritize which systems will be changed and budgetary estimates for changes and refine budgetary estimates as necessary.
 - Determine required software changes.
 - Field-size expansion
 - Change to alphanumeric composition
 - Complete redefinition of code values and their interpretation
 - Edit and logic changes

- Modifications of table structures
 - Expansion of flat files containing diagnosis codes
 - Systems interfaces
 - Changes to multiple systems and applications that use coded data will need to be made, including:
 - Decision support systems
 - Billing systems
 - Clinical systems
 - Encoding software
 - Medical record abstracting systems
 - Registration and scheduling systems
 - Aggregate data reporting
 - Utilization management
 - Quality management systems
 - Case-mix systems
 - Accounting systems
 - Case management systems
 - Disease management systems
 - Provider profiling systems
 - Clinical protocols
 - Test ordering systems
 - Clinical reminder systems
 - Performance measurement systems
 - Medical necessity software
 - Assess any necessary increases in system storage capacity to support both old and new coding systems for an appropriate period of time and hardware upgrades to ensure optimal system performance.
 - ICD-9-CM, ICD-10-CM, and ICD-10-PCS coding systems will need to be supported in computer system applications for some time.
 - A conversion system will be needed to cross-reference between pre- and post-crossover periods in order to understand the correlation of ICD-9-CM and ICD-10-CM/PCS data.
 - Report formats and layouts need to be modified.
2. Conduct detailed assessment of staff education needs, change any processes, policies, and procedures, and refine budgetary estimates as needed (not just for coders).
- Identify educational needs of staff.
 - Who needs education?
 - What type and amount of education do they need?
 - The multiple categories of users of coded data require varying levels of education on the new coding systems. These categories of users include:
 - Clinicians
 - Quality management personnel
 - Utilization management personnel
 - Registration personnel (if they are involved in medical necessity determinations)
 - Noncoding HIM personnel, such as release of information personnel
 - Ancillary department personnel
 - Data quality management personnel
 - Data security personnel
 - Data analysts
 - Researchers
 - Information systems personnel

- Billing personnel, accounting personnel
 - Corporate compliance personnel
 - Auditors
 - Prepaid contract managers and negotiators
 - IS personnel need to understand the logic and hierarchical structure of ICD-10-CM and ICD-10-PCS.
- Data users need to understand the definition and composition of code categories.
 - Determine the best method, in terms of a balance between effectiveness and cost, of providing education. Participants in the AHA and AHIMA ICD-10-CM field-testing project indicated that their first preference was face-to-face education, with their second choice being Web-based education. There are numerous methods of providing education today, including:
 - Traditional face-to-face method
 - Audio seminars
 - CD-ROMs
 - Web-based instruction
 - Determine if education will be provided internally or externally. AHIMA will be offering train-the-trainer programs that will produce certified trainers. It is highly recommended that all coding staff receive ICD-10-CM and ICD-10-PCS education only from a certified trainer.
 - Coding and reporting policies and procedures need to be revised.
3. Assess impact on organizational operations of change to new coding systems, such as implementation costs beyond costs associated with education and systems changes.
- Assess implementation costs beyond those related to systems changes and education, such as those related to loss of coding productivity during the learning curve.
 - Educate data users (e.g., case management, utilization management, quality management, data analysts) on data comparability issues and impact on longitudinal data analysis.
 - Educate data users on differences in classification of diseases and procedures in the new coding systems, including definitions and code category composition, in order to assess impact on data trends. This may be done in 2005 or 2006.
4. Continue to assess coder knowledge gaps and initiate professional development plan to improve clinical knowledge in identified areas of weakness.
- Use information from coder knowledge gap assessment to develop individualized education plans for improving clinical knowledge.
5. Continue to assess gaps in medical record documentation practices.
- Continue to orient medical staff on medical record documentation requirements of new coding systems.
 - Educate medical staff on identified documentation deficiencies and monitor for improvements.
 - Report summary of documentation deficiencies and progress in improvements to senior management.
6. If contract coders are used, communicate with vendors concerning their plans for educating their staff.
7. In collaboration with information systems personnel, determine vendor readiness and vendor's plans for upgrading software to new coding systems.
- Communicate with vendors of software that incorporates ICD codes to determine when upgrades reflecting the new coding systems will be ready, whether any cost for the upgrades will be passed on to the organization, and if so, the projected cost and in what year it will be incurred.
 - Actively participate in any vendor user group meetings regarding ICD-10 implementation.
 - If necessary, include costs of upgrade in 2006 or 2007 budget, as appropriate.
8. Assess status of payers' and other business associates' progress toward ICD-10 preparedness.

- Contact payers and other business associates to determine progress toward ICD-10 readiness and when they expect to be ready.

9. Continue to keep senior management informed of developments (e.g., status of regulatory process, implementation timeline).

2006

This stage involves three major tasks: implementation of required IS changes, follow-up assessment of documentation practices, and increasing education of the organization's coders. Also include any items carried over from 2005.

Target Audience

- | | |
|--------------------------------|----------------------|
| •HIM managers | •Business associates |
| •Information systems personnel | •Vendors |
| •Medical staff | •Data users |
| •Coding professionals | |

Goals

1. Follow up with readiness status of payers and other business associates
 - Contact payers and other business associates for an updated status on their progress toward preparing for ICD-10-CM and ICD-10-PCS implementation
 - Follow up with vendors regarding their readiness
2. Implement and test systems changes, including both in-house and vendor systems changes
 - Implement identified in-house systems changes
 - Begin testing both in-house and vendor systems changes in a coordinated manner
 - Test completed in-house changes
 - Test vendor systems changes once vendors have completed the changes
3. Continue to assess and improve medical record documentation practices
 - Monitor medical record documentation practices
 - Work with clinicians to improve documentation in areas where deficiencies are identified
4. HIM coding staff should increase familiarity with the new coding systems and the associated coding guidelines
 - Increase intensity of coder training on the new coding systems and coding guidelines
5. Develop strategies to minimize problems during transition
 - Identify potential problems during the transition (e.g., reduced coding accuracy and productivity)
 - Implement strategies to reduce potential negative impact (e.g., the need for increased monitoring of coding accuracy during the initial implementation period)
 - Assess whether this increased monitoring can be assumed by staff, a consulting firm, or contracted coders to eliminate possible coding backlogs due to reduced coding productivity
6. Continue to assess the impact of changing coding systems
 - Educate data users (e.g., case management, utilization management, quality management, data analysts) on differences in classification of diseases and procedures in the new coding systems, including definitions and

code category composition, in order to assess impact on data trends (if not completed in 2005)

2007

This stage involves several major tasks: finalization of systems changes, testing of claims transactions with payers, intensive education of the organization's coders, monitoring coding accuracy and reimbursement with DRG impact, and resolution of post-implementation issues. Also include any items carried over from 2006.

Target Audience

- | | |
|--------------------------------|--|
| •HIM managers | •Vendors |
| •Information systems personnel | •Financial management (including accounting and billing personnel) |
| •Payers | |
| •Coding professionals | |

Goals

1. Finalize systems changes and complete testing of these changes
 - Complete all necessary in-house systems changes
 - Confirm with vendors that changes and upgrades in vendor systems have been completed
 - Finish testing the changes
 - Make modifications in response to the results of the testing
2. Conduct testing of claims transactions with payers
 - Six months prior to implementation, test ICD-10-CM and ICD-10-PCS components of claims transactions with payers
3. Assess potential reimbursement impact of new coding systems
 - Evaluate potential DRG shifts
 - Evaluate changes in case-mix index
 - Communicate with payers on anticipated changes in reimbursement schedules or payment policies
4. Complete intensive coder education and education of other users
 - Three to six months before implementation, all coding staff should complete intensive education on applying the new coding systems
 - Document completion of this training in personnel files
 - Ensure that training is conducted by an AHIMA- certified trainer
 - Sources of training include:
 - Instructor-led training
 - Online training
 - Audio seminars
 - Communicate with vendors supplying contract coders to ensure they have received necessary education; ask for documentation
 - Implement the identified education plan for users of coded data and document completion of the training in their personnel files
5. Go live!

6. Post-implementation, monitor coding accuracy closely and initiate corrective action as necessary, such as providing additional education
7. Assess reimbursement impact of new coding systems
 - Analyze DRG shifts
 - Analyze changes in case-mix index
 - Continue to communicate with payers on anticipated changes in reimbursement schedules or payment policies
8. Resolve post-implementation problems as expeditiously as possible
 - The implementation planning team should follow up on post-implementation problems, such as claims denials or rejections or coding backlogs.
 - Work with internal staff or external entities as appropriate to resolve problems as effectively as possible

2008 Post-Implementation

This phase consists of monitoring coding accuracy, reimbursement and DRG impact, and coding productivity and continuing with appropriate coder training.

Target Audience

- | | |
|--------------------------------|--|
| •HIM managers | •Senior management |
| •Information systems personnel | •Others (depending on identified problems to be resolved) |
| •Payers | •Financial management (including accounting and billing personnel) |
| •Coding professionals | |
| •Medical staff | |

Goals

1. Train or retrain staff who may need additional or more advanced training; continue budgetary planning for training
 - Train new staff
 - Train staff unavailable during previous training
 - Provide advanced training when needed
2. Continue monitoring coding accuracy closely and initiate corrective action as necessary, such as providing additional education
3. Continue to evaluate reimbursement and DRG impact of the new system, provide education to staff on DRG issues, and monitor case-mix and DRG assignment
 - Communicate with payers on changes in reimbursement schedules
 - Monitor case-mix index
 - Concurrently review DRG and code assignments
 - Analyze DRG shifts
 - Provide education and feedback regarding reimbursement issues to staff
4. Continue to monitor coder productivity
 - Develop plans to address coder backlogs, such as contracting to outsource coders
5. Continue to work with physicians on accurate and complete documentation
6. Monitor and respond to information systems problems or issues
7. Maintain communication with payers and resolve problems
8. Keep senior management informed on monitoring result

Article citation:

Bowman, Sue, and Ann Zeisset. "ICD- 10 Preparation Checklist, parts 1 and 2." *Journal of AHIMA* 75:6 (June 2004): 58-61; 75:7 (July-August 2004): 58-60.

Driving the Power of Knowledge

Copyright 2022 by The American Health Information Management Association. All Rights Reserved.