

Three Short Years: Organizations Lagging in 5010 and ICD-10 Progress

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By Chris Dimick

The calendar is marching steadily toward October 2013, when all healthcare organizations must begin submitting claims using the ICD-10-CM and ICD-10-PCS code sets. Much needs to be done in making the transition, and healthcare organizations should have taken major steps in their preparation already.

Related to this preparation is upgrading to version 5010 of the X12 HIPAA transaction standards, necessary to support ICD-10 implementation.

But many organizations are off to a late start, according to a survey of HIM professionals conducted by AHIMA. Respondents reported that their organizations were well behind the ICD-10 implementation schedule proposed by the association. Facilities that do not catch up soon could face major billing headaches and loss of compensation in 2013.

Many Delay Implementation

When asked if their organizations had begun either 5010 or ICD-10 implementation, 52 percent of the 838 AHIMA members who took the April 2010 survey said they had not. Of those, 20 percent said preparation would not begin for six months or more. Nearly half did not know when work would begin.

Nearly all survey respondents were HIM directors, managers, or supervisors, with more than half working in acute care settings. Acute care facilities were slightly ahead of their counterparts in other settings.

HIM directors have a responsibility to ensure their departments and facilities are on track with ICD-10 implementation because HIM possesses the expertise needed for the planning, according to AHIMA.

Many HIM professionals are unlikely to take direct part in 5010 planning, but they should be aware of their facility's plans because of 5010's direct impact on ICD-10 implementation.

If HIM professionals are unaware of the ICD-10 effort at their facilities, they should request to join any relevant committees. In organizations that have not begun preparations, HIM professionals can seek to raise urgency and launch planning.

Implementation Step-by-Step

Many factors will affect an organization's approach to 5010 and ICD-10 implementation. However, AHIMA identifies a progression of necessary milestones and recommended completion dates. Those milestones are shown on the following pages, with associated survey results for the major events.

For example, AHIMA recommends that organizations should have established 5010 and ICD-10 implementation planning teams by September 2009. However, 77 percent of facilities had either not started or just started determining their organizational structure and responsibilities for these projects, according to the survey.

Since the 5010 implementation is a separate project, those milestones are shown in the sidebar on page 26.

HIM professionals and their organizations are facing multiple priorities-not the least of which are the mandates and opportunities resulting from the American Recovery and Reinvestment Act-and it is understandable that with a deadline of 2013 some facilities may choose to put off ICD-10 planning. However, the work required for ICD-10 implementation is significant, and waiting will only increase the difficulty of juggling other needs as 2013 gets closer.

Serious Consequences Possible

The consequences of delaying ICD-10 preparation can be disastrous, says Sue Bowman, RHIA, CCS, the director of coding policy and compliance at AHIMA.

Although an organization's individual timeline may vary based on its size, type, and structure, all organizations should have by this time at least established an interdisciplinary steering committee to oversee ICD-10 implementation, provided ICD-10 awareness education to key stakeholders, begun an ICD-10 impact assessment, and be on track to meet the version 5010 compliance milestones, Bowman says.

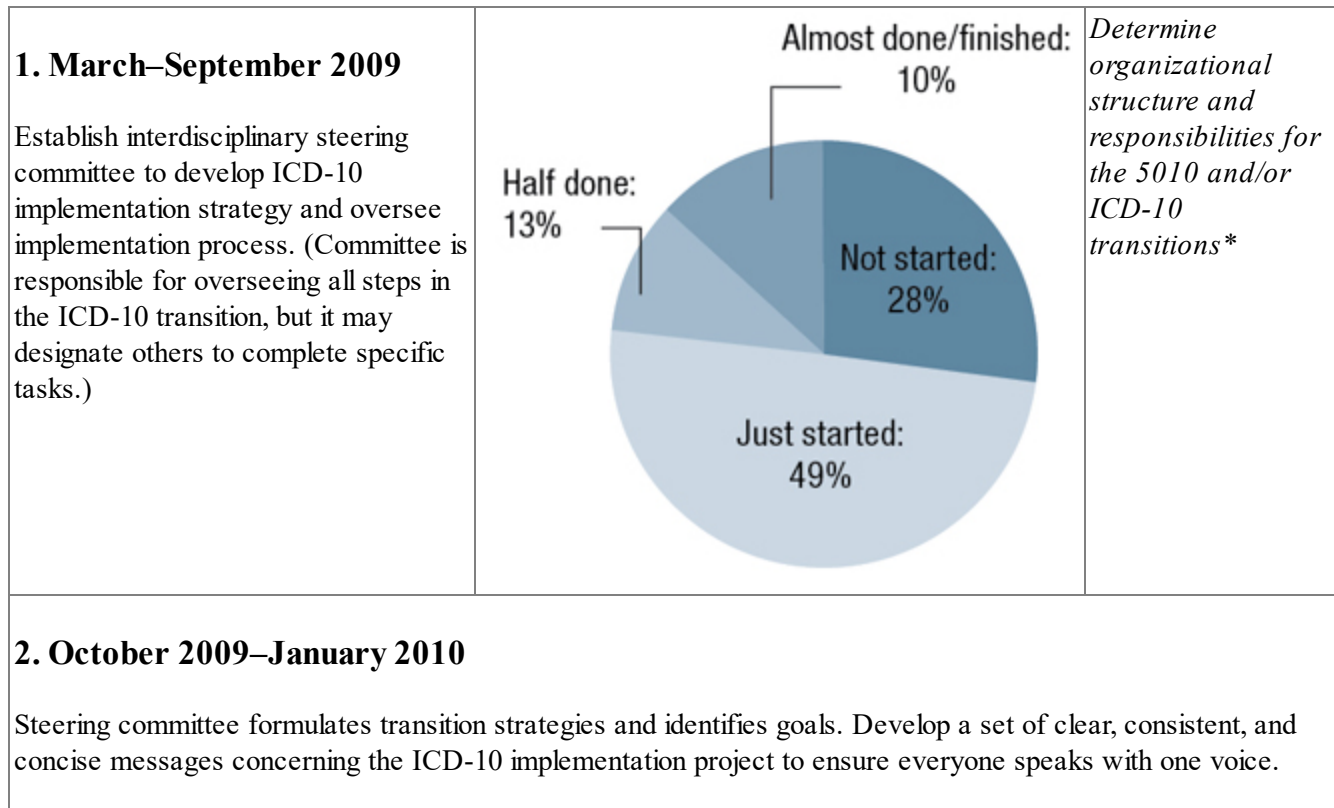
"This is critically important, because without the impact assessment, an organization cannot reasonably predict how much time and resources the preparation and go-live phases might require, and therefore [they] can't plan an accurate timeline or budget for the work involved," according to Bowman.

"Delayed completion of the impact assessment will jeopardize an organization's ability to complete all ICD-10 implementation tasks by the compliance date, risking claim rejections and payment delays," she says.

The Centers for Medicare and Medicaid Services has been frank about what will happen to claims submitted in ICD-9 after the ICD-10 implementation deadline—they will be rejected.

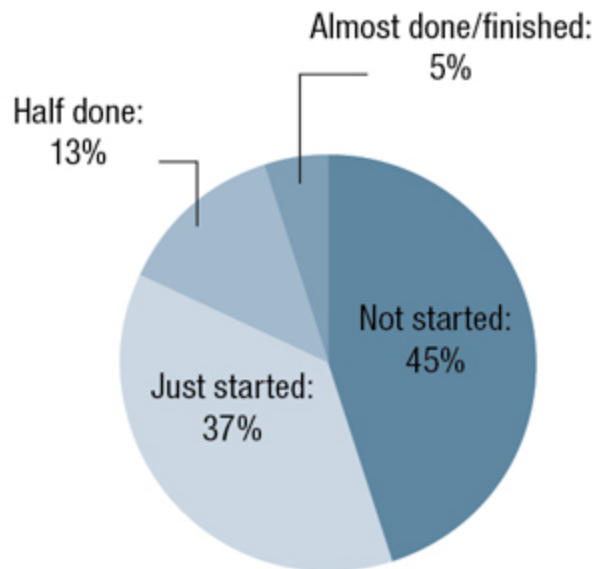
Claims for services provided on or after October 1, 2013, must use ICD-10-CM or ICD-10-PCS or face denials, CMS has written on its Web site. There will be no extension or grace period, and noncompliant claims will have to be resubmitted with ICD-10 codes.

AHIMA's complete ICD-10-CM/PCS preparation checklist may be found at www.ahima.org/icd10. Also available is a readiness assessment and prioritization tool and a role-based training model.



3. October 2009–January 2010

Provide organization-wide ICD-10 awareness education to key stakeholders. (Steering committee should identify key stakeholders and ensure that awareness education is provided, but a designee may provide the education.)

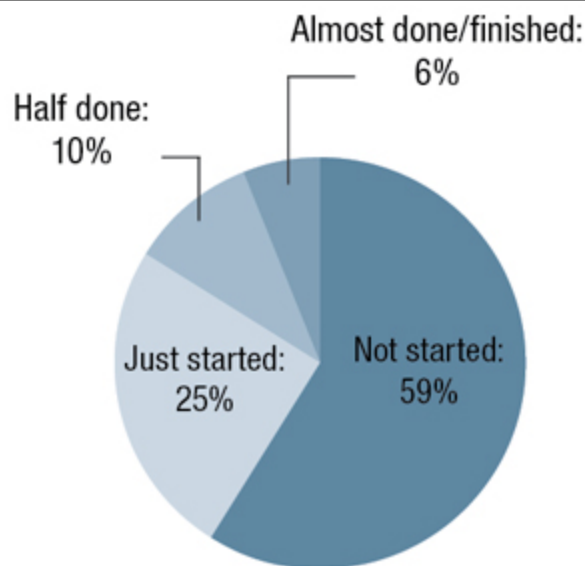


Create ICD-10 code set impact awareness throughout the organization

4. January 2010–March 2011

Assess impact of ICD-10 transition on all organizational operations (impact assessment):

- Inventory all systems applications and databases using ICD-9-CM codes and identify all systems changes that will need to be made
- Identify new or upgraded hardware/software requirements



Perform a comprehensive systems audit for ICD-10 compatibility (i.e., inventory of systems applications)

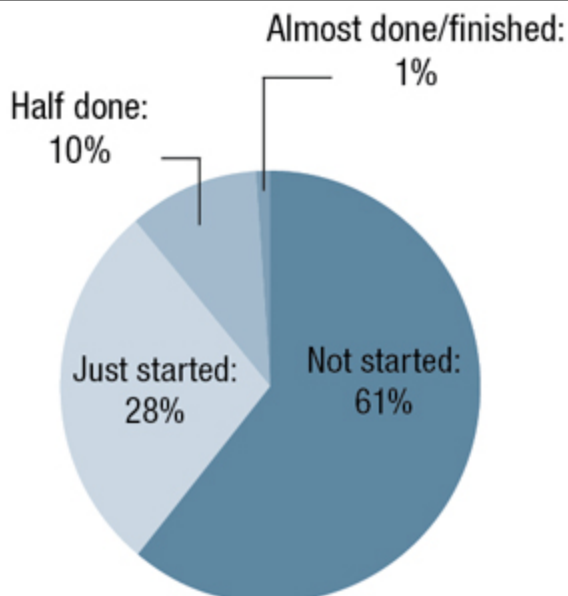
5. January 2010–March 2011

Steering committee identifies key ICD-10 tasks and objectives

6. January 2010–March 2011

Assess business associate readiness (e.g., vendors):

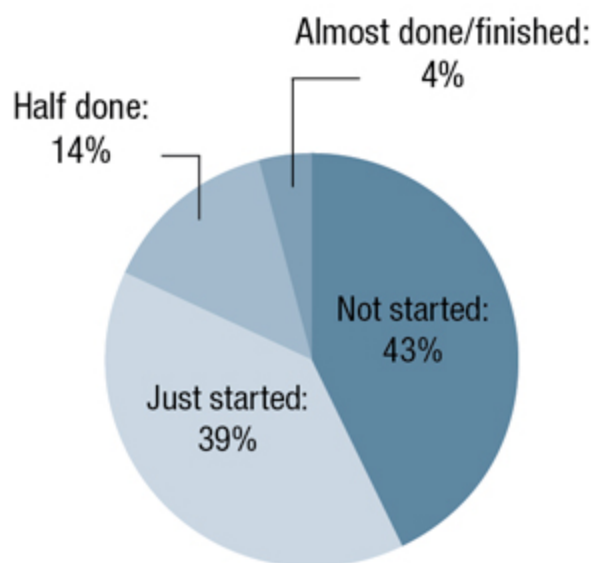
- Analyze impact on all business processes (e.g., current and expected operational, documentation, and workflow processes; identify reports, forms, and policies requiring modification)
- Identify all affected stakeholders



*Assess status of payers and other business associates' progress toward 5010 and/or ICD-10 preparedness**

7. January 2010–March 2011

Assess education and training needs. (Training needs cannot be assessed until all affected stakeholders have been identified.)



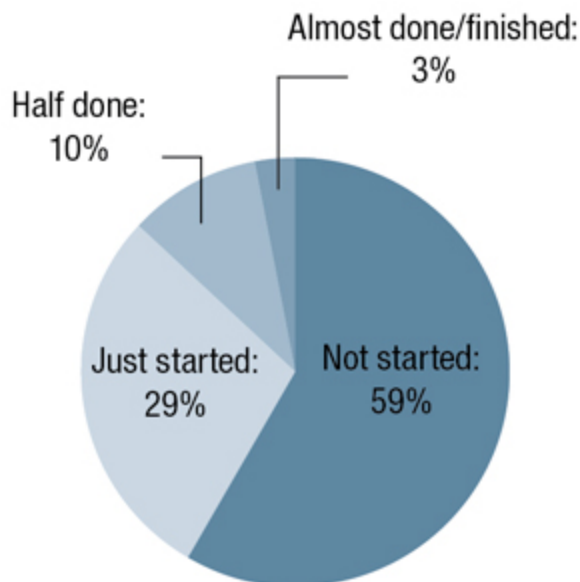
Conduct a detailed assessment of staff education needs and determine budgetary constraints

8. January 2010–March 2011

Steering committee develops internal implementation timeline and specifies resources required to complete identified tasks.

9. January 2010–March 2011

Steering committee or designee prepares ICD-10 implementation budget (e.g., training, system upgrades, temporary staffing needs, data conversion, report redesign, reprinting of paper forms, additional tools or resources needed to facilitate transition such as mapping tools).

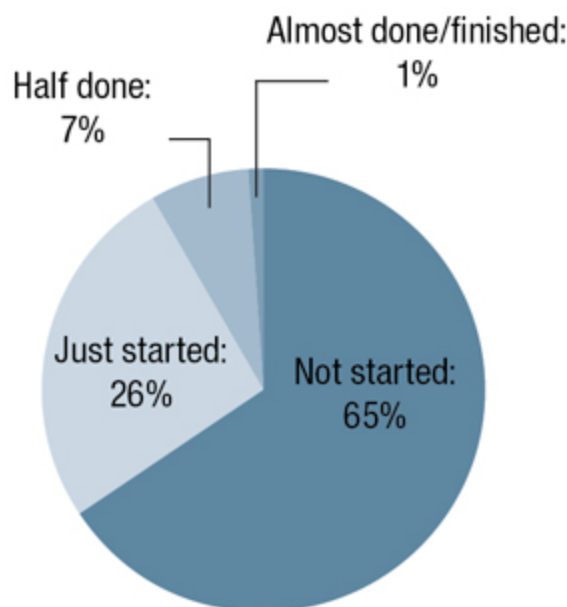


Develop ICD-10 implementation budget

10. January 2011–March 2013

Prepare for ICD-10 implementation. Complete tasks identified during impact assessment:

- Make systems changes
- Complete internal testing and validation of systems changes
- Revise or develop policies/procedures, reports, and forms
- Provide education to individuals (other than coding professionals) identified during impact assessment
- Address any identified medical record documentation deficiencies



Conduct clinician and code set user education

11. January 2013–September 2013

Begin ICD-10 go-live preparation:

- Provide intensive education to coding staff
- Conduct ICD-10 transaction testing with trading partners
- Resolve any identified problems (e.g., testing failures, identification of business processes or systems applications that are impacted by the ICD-10 transition but were missed during impact assessment)

12. October 1, 2013

ICD-10-CM/PCS go-live. Claims for services provided on or after this date must use ICD-10-CM for diagnoses codes and acute care hospitals must use ICD-10-PCS for inpatient procedure codes.

**Note that respondents were asked if their facilities had begun this milestone for either 5010 or ICD-10. A "yes" answer could apply to either or both.*

5010 Deadline: A Precursor to ICD-10

The transition to version 5010 of the X12 HIPAA transaction standards is an important step organizations must complete before implementing ICD-10 code sets. According to the survey, a majority of respondents indicated they are running behind.

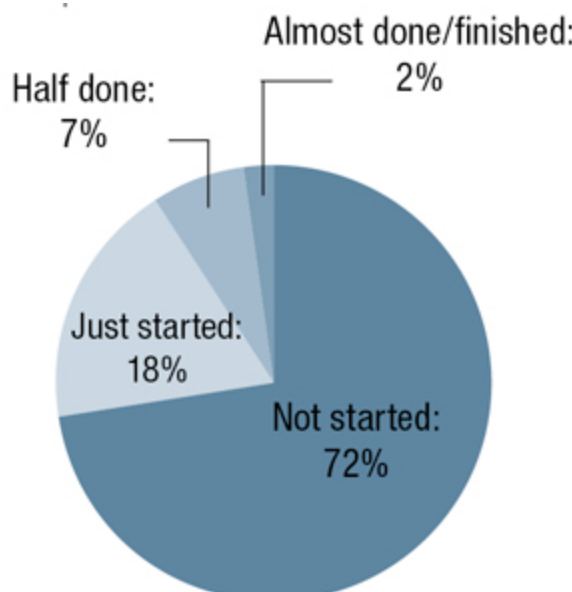
On January 1, 2012, standards for electronic healthcare transactions change from version 4010 to 5010. These electronic healthcare transaction standards affect claims, eligibility inquiries, and remittance advice. Version 4010 cannot support ICD-10, which is why the upgrade is mandated in advance of the ICD-10 deadline.

CMS urges organizations to internally test their ability to send and receive compliance transactions by December 31, 2010. This is so-called "level 1" compliance.

Level 2 compliance is end-to-end testing, which would include testing with external partners such as clearinghouses and payers. This testing must be complete by the last day of 2011.

The 5010 transition is a separate project from ICD-10 implementation, and the two projects are typically being developed concurrently. In some cases, HIM professionals might not be involved in the 5010 implementation, as it can involve different personnel and expertise than ICD-10 implementation.

But whether they are directly involved in the 5010 implementation, HIM professionals should be aware of the progress their facility is making in the change, since it directly impacts ICD-10 compliance.

5010 Milestone Completion Date	Major ICD-10 Transition Steps/Milestones	Survey Questions/Results										
December 31, 2010	Internal testing of version 5010 complete	<p>Conduct system testing for 5010 compliance</p>  <table><thead><tr><th>Category</th><th>Percentage</th></tr></thead><tbody><tr><td>Not started</td><td>72%</td></tr><tr><td>Just started</td><td>18%</td></tr><tr><td>Half done</td><td>7%</td></tr><tr><td>Almost done/finished</td><td>2%</td></tr></tbody></table>	Category	Percentage	Not started	72%	Just started	18%	Half done	7%	Almost done/finished	2%
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5010 Milestone Completion Date	Major ICD-10 Transition Steps/Milestones	Survey Questions/Results
January 1, 2011	Payers and providers start external testing (end to end testing) <ul style="list-style-type: none"> • CMS begins accepting version 5010 claims • Version 4010 claims will continue to be accepted 	
December 31, 2011	External testing of version 5010 complete	
January 1, 2012	All electronic claims must use version 5010	

Refresher: HIPAA Standard and Transactions

Few providers and payers have implemented the full set of HIPAA transaction standards, which includes referrals and authorizations, claims status inquiry and response, and enrollment and premium payment. The commonly used set revolve around eligibility verification and claims, shown below. However, the 5010 project is an ideal time to consider what efficiencies the organization can gain in implementing additional standards.

Standard	Transaction
ASC X12 837	Healthcare claims and coordination of benefits-dental, professional, institutional
ASC X12 270/271	Eligibility for a health plan (request and response)-dental, professional, and institutional
ASC X12 835	Healthcare payment and remittance advice
NCPDP D.0	Healthcare claims, coordination of benefits, referral certification and authorization (request and response), eligibility for a health plan (request and response)-retail pharmacy drug
NCPDP 5.1 and NCPDP D.0	Retail pharmacy drug claims (telecommunication and batch standards)

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