Is your practice prepared for ICD-9 to ICD-10 Transition?

How to embrace the change and be prepared.
Is Your Practice Prepared for ICD-9 to ICD-10 Transition?

ICD-10 implementation is now required for all those covered by the Health Insurance Portability Accountability Act (HIPAA). It is a step forward from ICD-9 but it is not simply an update as there are numerous structural changes offering better integration with modern technology that will result in greater accuracy in information.

Some Differences Between ICD-9 and ICD-10

As ICD-9 was implemented 30 years ago, it has not kept pace with new technological advancements. Most categories are full and it does not have very specific information so leads to reduced effectiveness and some confusion.

For example there is no differentiation between right and left limbs with similar injuries. The older system is not flexible enough nor is it precise. There are also reimbursement and quality problems that occur with ICD-9. All these shortcomings have been addressed in ICD-10.

The transition process from ICD-9 to ICD-10 poses many challenges since it is complex and lengthy. This advanced coding system has 68,000 ICD-10-CM codes for clinical settings and 87,000 codes for ICD-10-PCA for inpatient services so it is beneficial for records and statistics and will result in better quality reporting, value-based purchasing and better bio surveillance. However, it is very challenging for the IT and coding departments and entails a great deal of expense.
Is your practice prepared for ICD-9 to ICD-10 Transition?

Different aspects of ICD-10 implementation can affect practice revenues. While ICD-10 implementation is required, the new system does have some aspects that can impact revenues.

Among the factors to keep in mind are:

EHR Coding Tools

EHRs (Electronic Health Records) are crucial in the coding process as they are the primary diagnosis entry point and can help guide users to the correct ICD-10 diagnosis. Additionally, they may help automate conversion from one code system to the other. They result in quicker and more accurate diagnoses and also help plug the leaks in the system.

Under-Coding and Over-Coding

Both under-coding and over-coding are considered as fraudulent practices and can cause many problems for the users. As much as 25 percent of audits show that coding errors lead to 25 percent loss of income due to under-coding, un-reimbursed claims, and missed charges. These errors, even if inadvertent, can also result in increased scrutiny by Medicare or other authorities.

Practice Costs

Software must be upgraded at considerable cost. Apart from this basic cost are the expenses associated with training, testing, practice assessments, possible payment disruption, and loss of productivity for physicians. The changes can result in a 100 to 200 percent increase in claims denial rates in the early stages of usage of ICD-10.
Financial Impact on Medical Practices of All Sizes

In 2008 the predicted cost to implement ICD-10 ranged from $83,290 for a small practice, $285,195 for a medium practice and $2,728,780 for a large practice. Based on new information, a 2014 study found the following cost ranges for each practice size based on variable factors such as specialty, vendor and software.

ICD-9 TO ICD-10 Cost to Physicians

The transition has major financial impact on practices of all sizes.

<table>
<thead>
<tr>
<th>Practice Size</th>
<th>Cost Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Practice</td>
<td>$56,639 - $226,105</td>
</tr>
<tr>
<td>Medium Practice</td>
<td>$213,364 - $824,735</td>
</tr>
<tr>
<td>Large Practice</td>
<td>$2,017,151 - $8,018,364</td>
</tr>
</tbody>
</table>

The Affordable Care Act is increasing the risk for practices.

Independent medical practices and healthcare networks have struggled to maintain stable cash flow in order to meet the growing demand of patients as the Affordable Care Act continues to expand enrollment.

Many of the ACA (Affordable Care Act) plans have very high deductibles putting more financial responsibility in the hands of the patient and putting the practice in greater financial risk.
Embrace the change and be prepared.

Change is not easy, but ICD-10 implementation requires substantial change and up-gradation.

Do keep in mind that ICD-10 offers benefits like greater specificity, ordered clinical data and other information that is beneficial to ambulatory and managed care encounters.

In addition, the structure of ICD-10-CM allows for the possibility of greater expansion of code numbers. Not just disease classifications but also risk factors can be checked. Many new diseases have been discovered since ICD-9 was last revised and classifications have been updated as per current protocols. Adoption of ICD-10 results in better patient care, quicker reimbursements and better management.

Whether you are a hospital or a care facility or running a practice, you need to get the ICD-10 implementation done as quickly as possible, well before the deadline of October 1, 2015.

You need to select the right billing company that has the software ready to meet your needs and can get the testing, implementation and training done in time.

“By itself, the implementation of ICD-10 is a massive undertaking. Yet, physicians are being asked to assume this burdensome requirement at the same time that they are being required to adopt new technology, re-engineer workflow, and reform the way they deliver care; all of which are interfering with their ability to care for patients and make investments to improve quality.”

James L. Madara, MD
Executive Vice President, CEO AMA
Find financial freedom with Nobility RCM

The main mission of Nobility RCM is to help physicians and practices achieve financial freedom through 3 core services that include, Financial Pre-Funding, Complete Medical Billing, and EHR support.

The Nobility Pre-Funding Program solves the problem of declining reimbursements and rising costs by providing medical practices with predictable revenue every month. This provides financial stability, opens up great opportunity for better care, and helps build more successful practices.

Are you feeling ready to focus on patients and not on codes?

Visit NobilityRCM at [http://www.nobilityrcm.com](http://www.nobilityrcm.com) to get a FREE Billing and Coding Analysis to find out if you are prepared for the switch.

Nobility RCM’s main mission is to help achieve financial freedom through 3 core services that include; Financial Pre-Funding, Complete Medical Billing, and EHR support.

(877) 386-9728

www.nobilityrcm.com

info@nobilityrcm.com

1820 E. Ray Rd

Chandler, AZ 85225