



Successfully Managing the ICD-10 Conversion

On October 1, 2013 all the hospitals in the US must begin using a coding system for diagnoses and procedures referred to as ICD-10 that will replace the ICD-9 coding system that has been in use for 30 years. This change is mandated by the centers for Medicare and Medicaid services (CMS) and will become the standard for electronic record-keeping both within hospitals and in transmissions requesting reimbursements from both the government and other third party payers.

Although replacing ICD-9 codes with ICD-10 codes will require changes to information technology systems within the hospital, it is not a simple change. Estimates from CMS and from industry technology groups suggest that the changes will take up to two years and can cost millions of dollars. Also, if hospitals do not manage the change correctly, their reimbursements may be reduced by tens of millions of dollars annually and claims processing may take additional time, impacting cash flow for the hospitals.

PRJ Healthcare has evaluated the challenges and opportunities that this mandated change requires and can support hospitals and physician groups with cost-effective, thorough, and more rapid completion of the conversion with a full range of services including assessment, training, testing, and process change management. PRJ Healthcare also can bring to the project the **icdcomplete** software toolset that has been specifically designed to address all the complexities that the conversion will entail.

A traditional IT project management methodology can address many of the computer systems aspects of this change (inventorying and remediating all affected systems), but industry technology groups stress that the changes will affect virtually every department in a hospital from admissions to final billing and claims denial management. In particular, it must be recognized that physicians and all clinical staff must now record their interactions with patients, both diagnoses and procedures, in far greater detail. That additional detail will mean that the translation from ICD-9 codes to ICD-10 codes is not a simple 1:1 swap. Instead, the various departments within the hospital will have to examine how one ICD-9 code may be replaced by up to 100 ICD-10 codes. For that reason, the translation process will have to go through multiple iterations and should not be seen as a simple old to new replacement that will be done behind the scenes by the IT department.

The project to do the conversion to ICD-10 will need to stress the change management and training aspects to ensure that the conversion is done correctly. It will require a robust toolset that will support multiple iterations that test the effects on both clinical information and the reimbursement process to identify the ICD-10 codes that will be most effective for each specific hospital. The toolset must also support gathering the project management information, building and conducting effective tests with software vendors and third-party payers, identifying training requirements – by role, and managing a huge number of remediation tasks.

PRJ Healthcare has the experienced resources to manage these conversions thoroughly and cost-effectively. PRJ Consulting will not treat this as just another variation on IT projects but will engage a wide range of people and operational groups within the hospital in contributing to the success of the project - managing challenges and taking advantage of opportunities. The **icdcomplete** toolset will offer superior analytical methodology, tailored to the specific realities of each organization and flexible enough to achieve an optimal conversion.

Starting this project promptly and pursuing it aggressively will allow hospitals to minimize the impact on revenues and cash flow and to minimize resource conflicts with other major mandated initiatives. Contact us soon to discuss an Assessment of your ICD-10 impacts.

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