

ICD-10 Update

Denise M. Buenning, MSM
Senior Advisor/ICD-10 Team Lead
Centers for Medicare & Medicaid Services
Office of E-Health Standards and Services
December 9, 2009

CMS' Dual Role in ICD-10/5010 Implementation

Internal

- As HIPAA covered entity, CMS must ensure that its business processes, systems, policies and those of its contractors, providers, health plans, etc. are compliant with HIPAA
- Ensure that state Medicaid programs, as covered entities, are compliant with HIPAA
- Maintain and update the ICD-9 procedure codes, will do the same for ICD-10 (CDC is responsible for diagnosis codes.)

CMS' Dual Role in ICD-10/5010 Implementation

External

- Establish and maintain liaison with all external industry segments
- Share “lessons learned” to inform industry efforts to achieve ICD-10/5010 compliance by respective deadlines
- Raise awareness, extend collaboration to achieve industry-wide compliance
- Provide audience appropriate educational materials/resources

CMS Impact Analysis Findings

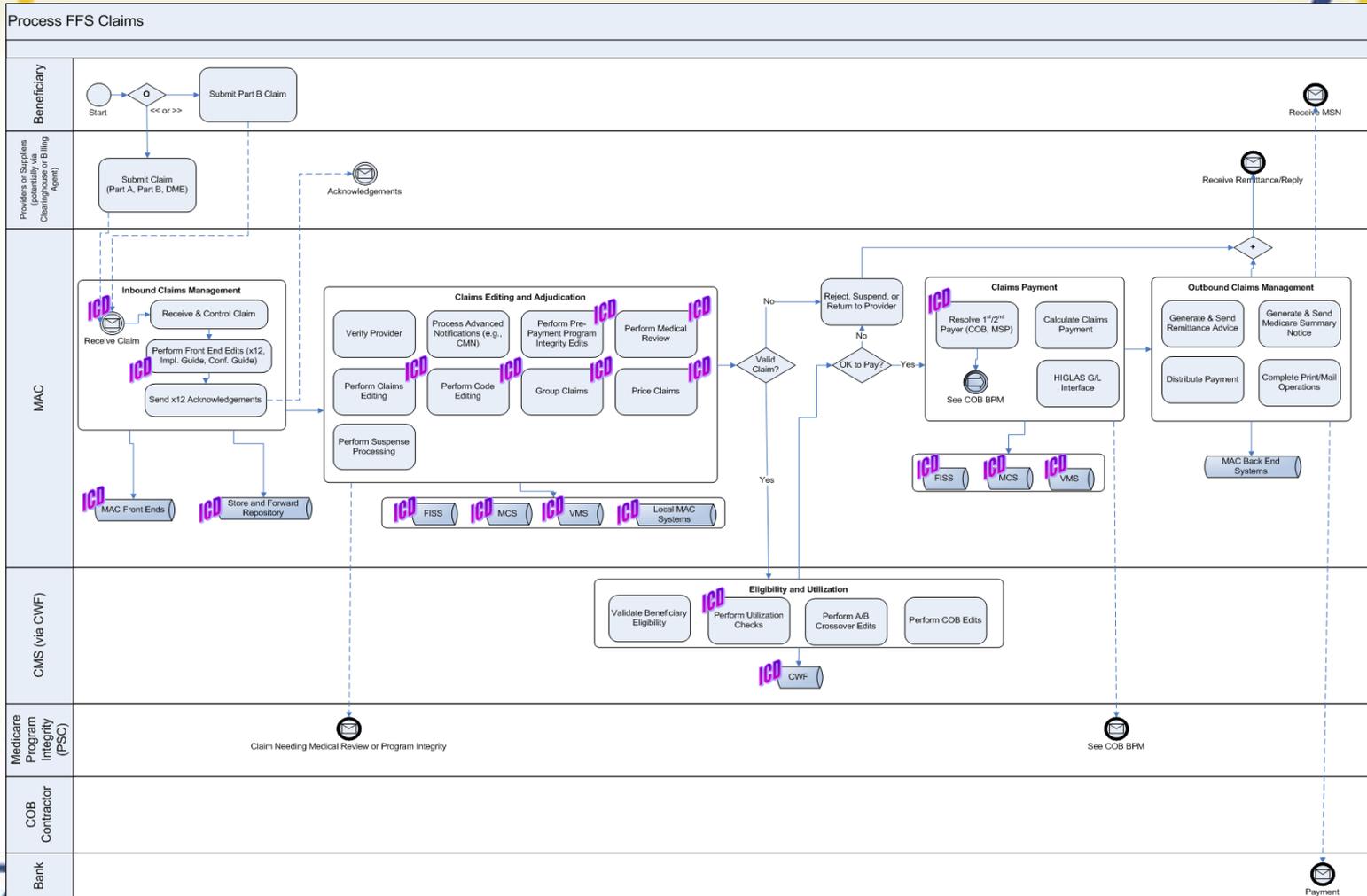
Impact Analysis Components

- Business Process Models
- System Interaction Diagrams
- Risk Assessment
- Work Effort Assessment
- Opportunity Assessment

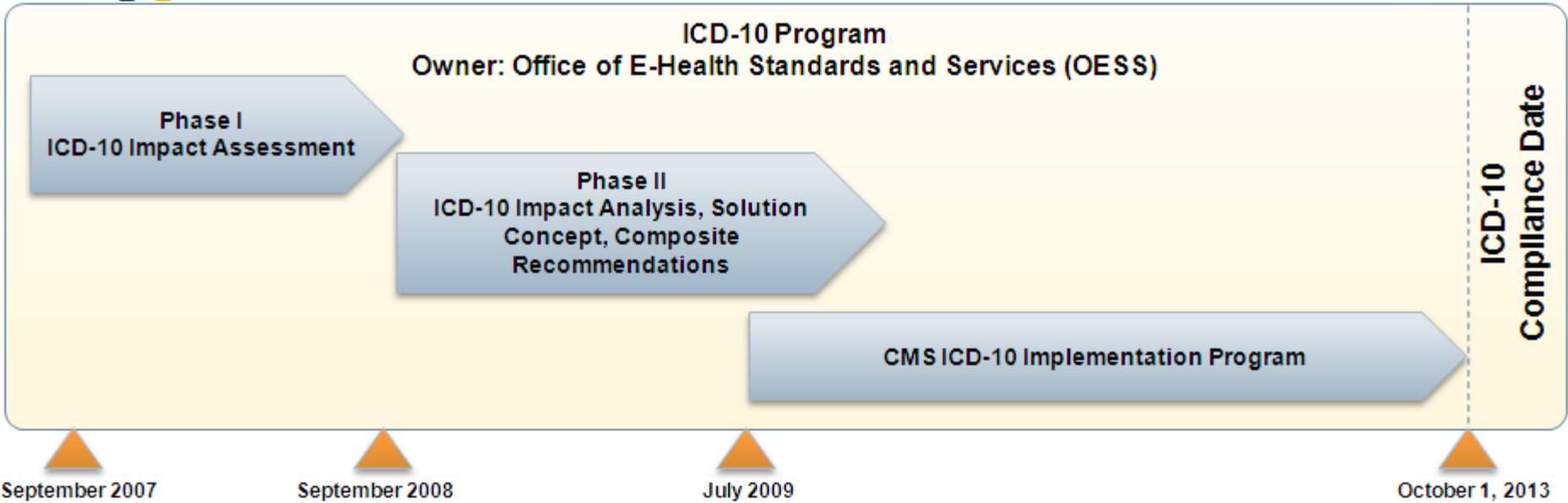
CMS Impact Analysis Findings

Business Areas	Associated Functional Areas
Medicare FFS Claims <i>Very High Impact</i>	<ul style="list-style-type: none"> ▪ Payment Policy ▪ NCD/LCD ▪ FFS Claims Processing <ul style="list-style-type: none"> ▪ Including MAC operations (e.g., provider call centers) ▪ MSP and COB ▪ Manage Claim Repositories ▪ Provider Cost Reporting ▪ Appeals
Risk Adjustment <i>Very High Impact</i>	<ul style="list-style-type: none"> ▪ Risk Adjustment
Quality <i>High Impact</i>	<ul style="list-style-type: none"> ▪ Quality Assessment Tools ▪ Quality Measures and Payment Initiatives ▪ Quality Improvement Activities and ESRD Networks ▪ CAHPS and HEDIS
Medicare Integrity <i>High Impact</i>	<ul style="list-style-type: none"> ▪ Medicare Integrity including Medical Review, PERM, CERT and Benefit Integrity (RAC, PSC, Medi-Medi, etc).
Research, Evaluations, and Demonstrations <i>Moderate Impact</i>	<ul style="list-style-type: none"> ▪ Research, Demonstrations, and Evaluation
Medicaid <i>Moderate Impact</i>	<ul style="list-style-type: none"> ▪ Medicaid Operations * Impact to State not included in this scope of work. ▪ Medicaid Integrity ▪ Medicaid Policy
1-800-MEDICARE Call Center <i>Low Impact</i>	<ul style="list-style-type: none"> ▪ Call Center Inquiry

Claims Processing Business Process Model



CMS ICD-10 Program Timeline



CMS ICD-10 Program Management

CMS ICD-10 Implementation Program Management

- **Office of E-Health Standards and Services (OESS)**
 - Houses the Program Management Office (PMO) for ICD-10 CMS implementation, in partnership with other Centers/Offices
 - Convenes ICD-10 Steering Committee to address cross-cutting issues
 - Responsible for overseeing agency's ICD-10 coordinated budget across components
- **ICD-10 Program Management Office (PMO)**

Develop a comprehensive ICD-10 project plan, with inclusion of pertinent 5010 milestones

 - Develop and direct ICD-10 implementation plan and reporting activities
 - Assist CMS components with ICD-10 project plans and schedules
 - Roll up project plans into master plan and schedule
 - Formulation and management of CMS ICD-10 budget
 - Conduct external ICD-10 outreach and education
 - Monitor industry ICD-10 compliance
 - Ensure coordination between ICD-10 and 5010 implementation projects

10

CMS ICD-10 Implementation

Key Activities

Industry Awareness, Outreach and Education

- Goal: To ensure that every affected entity successfully transitions to Version 5010 and ICD-10 by deadlines
 - Objectives:
 - Create national awareness; targeted educational products; leverage existing partnerships; monitor and assess outreach results.
 - OESS contractor (Ketchum) will develop and implement a communication plan for ICD-10 and 5010
 - Focus on small, hard-to-reach and rural providers
 - Build upon existing CMS resources and materials to ensure accuracy and consistency
 - Outreach to Medicare FFS providers/contractors and States will continue to be conducted by the appropriate CMS component
 - Identify “non-traditional” external industry partners (for example, worker’s compensation programs, actuaries, life insurance companies, etc.)

CMS ICD-10 Implementation

Key Activities

Industry Compliance Monitoring

- Previous HIPAA experience demonstrated need to have compliance monitoring that is specific and consistent to gauge accurate picture of industry readiness and flag problems early on.
- OESS contractor (Gartner) will establish baseline to monitor national health care industry segment readiness and work with CMS components to obtain readiness data for Medicare FFS, health plans, etc.

Summary

CMS is Making Progress...

OIS has a head start on 5010

ICD-10 PMO provides the structure needed for CMS transition

Impact Analysis project has raised CMS awareness, planning activities

Final Recommendations will provide action blueprint

...But We Still Have Far to Go

Need to consider necessary policy /procedural decisions to support our implementation

Need to raise ICD-10 awareness at basic provider level (small practices)

Need to engage vendors and clearinghouses

Need to reinforce compliance date message

Need to maximize industry resources

Need to keep ICD-10 on the radar screen in an environment where HITECH Act and health care reform are critical