

NCVHS Subcommittee on Standards ICD-10: Achieving a Successful Transition

February 19, 2014



AMA
AMERICAN MEDICAL
ASSOCIATION

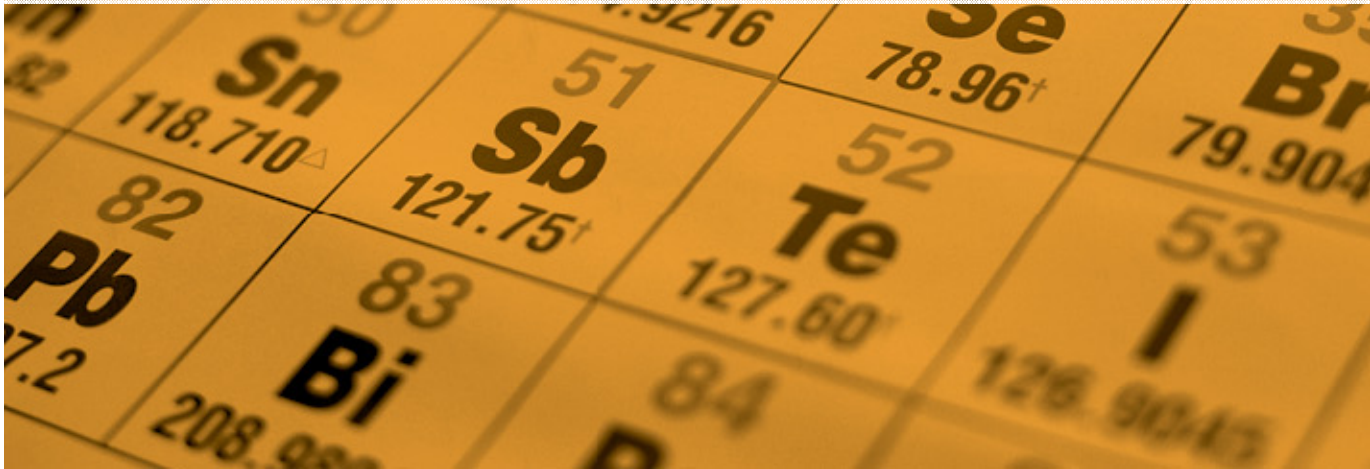
AMA Position on ICD-10

- AMA Policy calls to:
 - Stop the implementation of ICD-10
 - Evaluate the feasibility of moving from ICD-9 to ICD-11
 - Support a two-year transition period where payers cannot deny or recoup payment based on the specificity of the ICD-10 code
 - Support delaying or canceling ICD-10
- The AMA has long recognized that the transition to ICD-10 for physicians is a massive unfunded mandate that it is not expected to improve the care physicians provide their patients





Nachimson Advisors 2014 ICD-10 Cost Study



2014 Study Cost Estimates

	Typical Small Practice	Typical Medium Practice	Typical Large Practice
2008 Estimated Costs	\$83,290	\$285,195	\$ 2,728,780
2014 Estimated Costs	\$56,639 - \$226,105	\$213,364 - \$824,735	\$2,017,151 - \$8,018,364



Categories of Cost Estimates

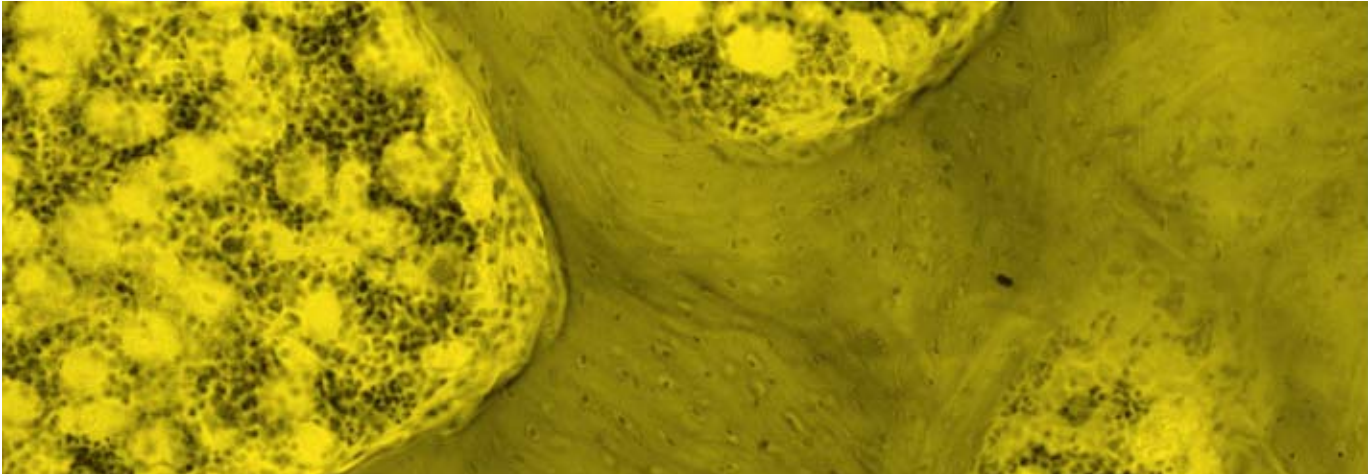
- Training
- Assessment
- Vendor/software upgrades
- Process remediation
- Testing
- Productivity loss
- Payment disruption



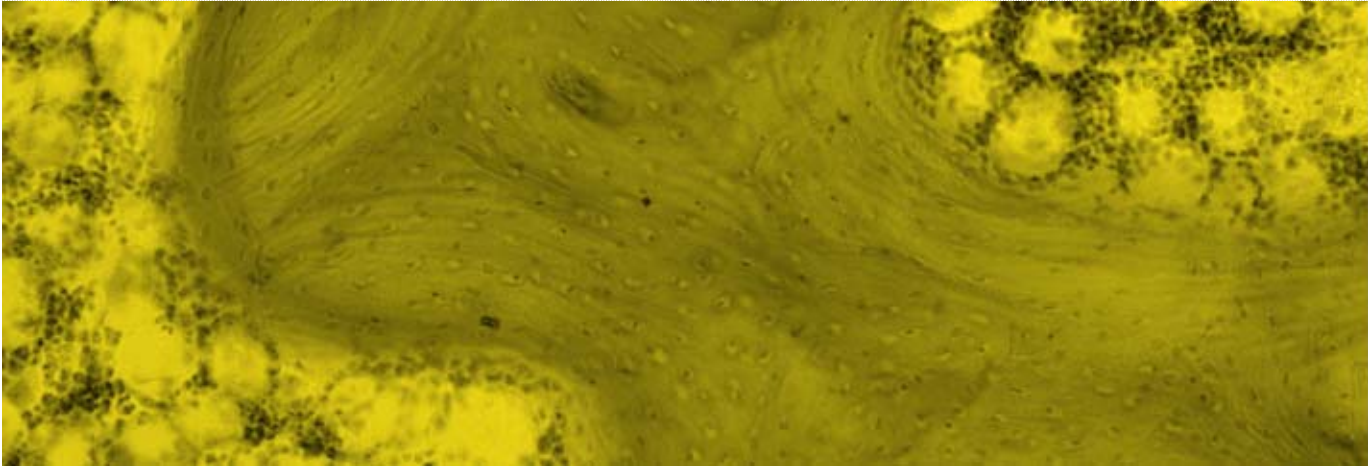
Access to Study Report

- The study report is available on the AMA Web site at:
www.ama-assn.org/go/icd-10

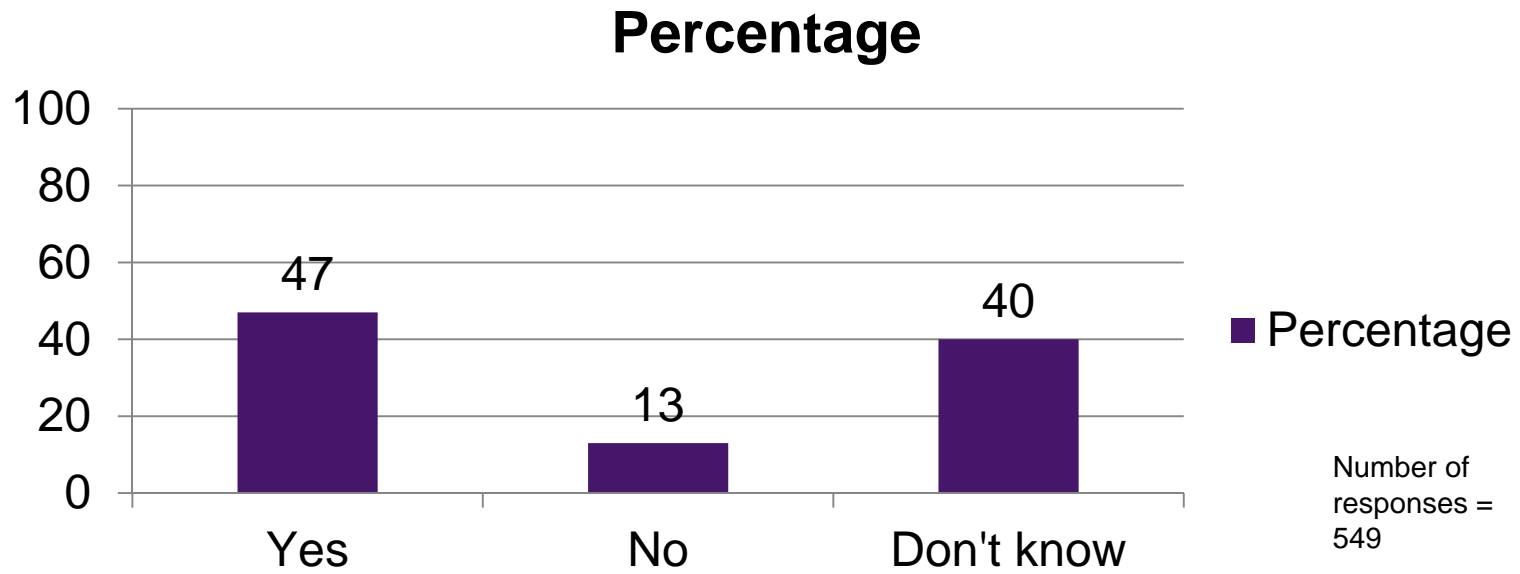




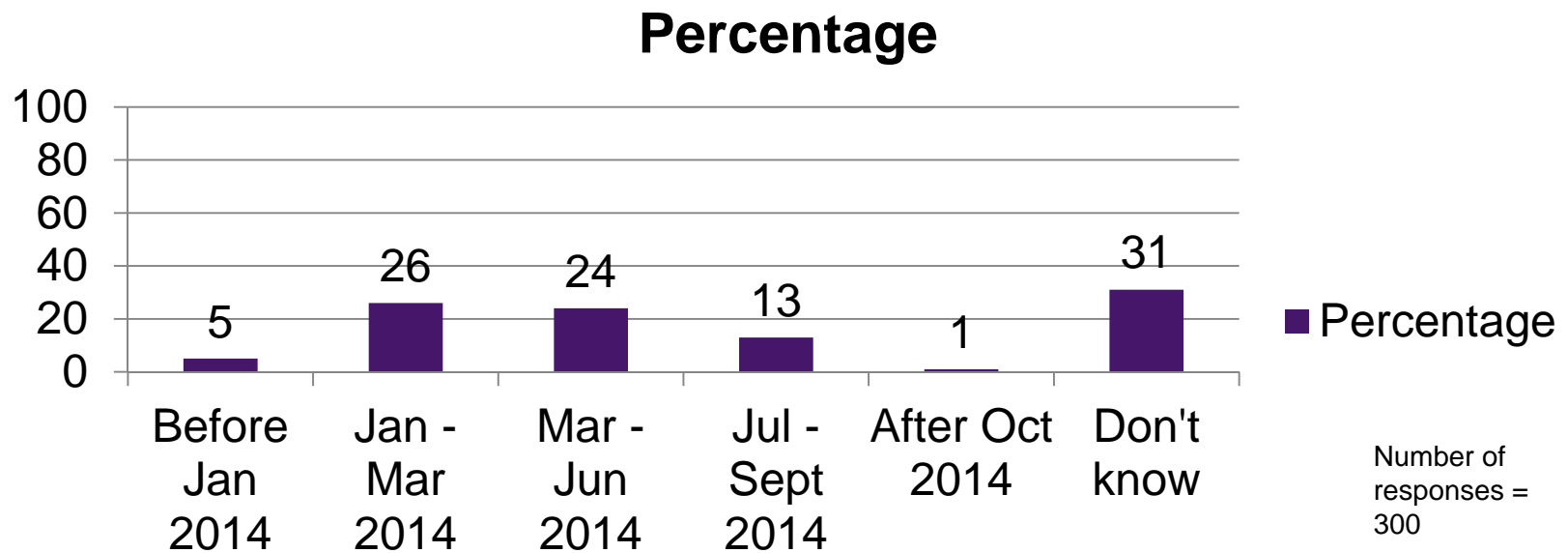
Vendor Readiness Survey



Will your vendor be updating your PMS for ICD-10?



When will your PMS upgrades for ICD-10 be installed?





Additional Concerns with ICD-10

Additional Concerns with ICD-10

- Testing
 - Lack of industry-wide true end-to-end testing
 - Essential for ensuring that physicians will not suffer massive disruptions in claims and payment processing



Additional Concerns with ICD-10

- Medicare “Advance Payment” policy
 - Essential for physicians to receive advance payments from Medicare when disruptions in payments for care already provided threaten their practice’s sustainability
 - NCVHS letter to HHS on 9/11/11

HHS should require Medicare to provide guidelines on advance payment policy during transition and other mechanisms to avoid disruption of services, and should require that Medicare set the example by publishing and readying such a policy.



Additional Concerns with ICD-10

- Coding requirements
 - Concerned about pended or denied claims based on an arbitrary assessment by the payer on the level of code specificity
 - Risk adjustment scoring needs by health plans in the health insurance exchanges may result in practices needing to provide more detailed diagnosis codes and additional information



Additional Concerns with ICD-10

- Impeding progress towards other requirements
 - Meaningful Use
 - All physicians need version 2014 certified EHRs for MU
 - Patch for ICD-10 may be installed separate from version 2014 EHR
 - Physicians who start MU in 2014 have until 9/30/14 to attest
 - Ability to purchase technology and participate in new payment and delivery reform models that improve care coordination and reduce costs are being stifled by resources diverted away to meet ICD-10



Conclusion

- Costs for implementing ICD-10 are far higher than initially estimated
- Software upgrades by vendors are behind schedule
- Strong doubts about the current level of transaction testing
- See testing as a major priority and must include true end-to-end transaction testing
- Have serious doubts about the industry's readiness and ability to meet the deadline
- ICD-10 is impeding the industry's ability to meet other requirements



Nancy Spector
Director, Electronic Medical Systems
American Medical Association
25 Massachusetts Ave, NW
Suite 600
Washington, DC 20001
Nancy.spector@ama-assn.org



