The long-awaited final rule to replace the 30-year-old ICD-9-CM clinical code set with ICD-10-CM and ICD-10-PCS was released earlier this year. The compliance date for the two classification sets is Oct. 1, 2013.

What does this mean and why should you take notice? And what can you do to ensure a successful implementation?

Administrative claims data has been increasingly used to make decisions about reimbursement and value-based purchasing, to evaluate quality care, and to conduct biosurveillance and public health research. ICD-9-CM lacks the increased level of detail required for these emerging needs. The upgrade to a new coding system will bring coded and reported data in line with improvements in medical technology today and into the future.

Failure to successfully implement ICD-10 can create coding and billing backlogs, cause cash flow delays, increase claims rejections or denials and improperly paid claims, cause unintended shifts in payment, put payer contracts and/or market share at risk due to poor quality rating or high costs, and result in faulty decisions based on distorted, inaccurate or misinterpreted data. Doing just enough to achieve minimal compliance without completing the steps necessary to maximize the benefits will result in significant costs, without realizing the maximum benefits of ICD-10.

It is crucial to understand that the implementation of ICD-10 is not just a “coding thing.” A successful transition to ICD-10-CM and ICD-10-PCS requires careful planning and coordination of resources across the entire hospital. Every application where diagnosis or procedure codes are captured, stored, analyzed or reported will be affected. The transition to ICD-10 will involve executive leadership challenges across a wide range of functional areas, including finance, information services, decision support, compliance and the medical staff. Health care organizations should have a carefully designed integrated transition plan to address the new system’s implications for timely reimbursement, information technology, decision support, quality and compliance reporting, staffing and training.

What can you do today to prepare?

• Create ICD-10 awareness throughout the organization.
• Convene an ICD-10 implementation team and identify a leader.
• Provide senior level sponsorship for ICD-10 related activities.
• Determine the potential budgetary, administrative and operational implications of making the transition to ICD-10.
• Assess the impact of the change to new coding systems and identify key tasks and objectives.
• Assess the impact of coding change on strategic goals around electronic health records and other information technology plans on quality and performance.
• Develop an inventory of existing databases and systems likely to be affected by the coding change and determine which systems use homegrown, proprietary or custom-made software.
• Consult existing vendors to determine their awareness of ICD-10 and their plans for upgrades. Determine whether current contractual agreements cover the coding changes.
• Work with medical staff to improve documentation. There are tangible benefits that can be gained even with ICD-9-CM.