



ICD 10 transition services

The U.S. health care industry is currently undergoing monumental changes as a result of health care reform. Organizations are being incentivized to move away from a utilization-based health care system to a patient-centric and outcomes-based health care structure. One of the many health care reform initiatives is the national health care system's transition from ICD 9 to ICD 10 coding sets for diagnosis and inpatient procedure coding. The Center for Medicare and Medicaid Services (CMS) has initiated this significant change to improve patient care, diagnosis, billing and reimbursement, while also supporting the reduction of health care costs and provide better patient-care reporting. ICD 10 CM/PCS (International Classification of Diseases, 10th Edition, Clinical Modification/Procedure Coding System) currently is scheduled to become effective October 2015; however, organizations should act now to implement early adopter strategies.

You require a customizable and scalable solution

McGladrey's team provides a comprehensive enterprise-wide conversion solution for your ICD 10 transition needs. Our clients are first categorized into an adopter level (early, intermediate or late). Based on this classification level and the organization's sophistication, the ICD 10 transition solution is highly

customizable and scalable to meet any need. The solution allows for full-scale or specific need-level support.

For instance, an early adopter may benefit from the ICD 9 to ICD 10 translation tool only to validate their early ICD 10 assumptions. An intermediate and late adopter may benefit from a rapid assessment approach, which includes the use of the translation tool, establishing governance, process level assessments for revenue cycle, managed care, health information management (coding, documentation and education), along with technology coordination.

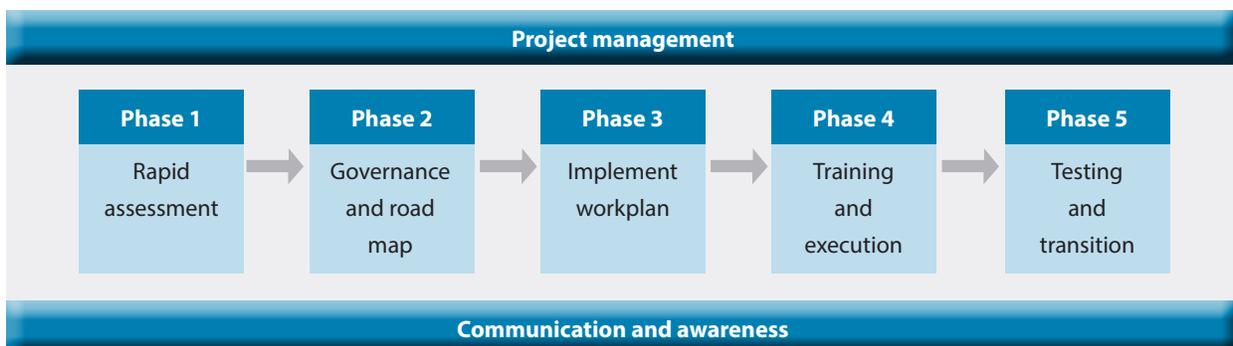
Whatever the level of adopter and specific need, McGladrey's team of professionals can quickly assess and act, implementing customized solutions unique to your organization's success.

Our services

ICD 10 is more than just a coding issue. Software will not solve all the related process issues.

McGladrey's comprehensive ICD 10 transition services are designed to help organizations through a successful ICD 10 transition, from governance and project management to risk management, implementation planning to actual coding, documentation and education.

Typical enterprise-wide ICD 10 transition plan: regardless of adopter



Rapid assessment and translation services may include:

- Establishing governance including identification of stakeholders, development and execution of communication plan and transition plan.
- Conduct a translation of ICD 9 to ICD 10 codes with focus on high impact risk and revenue areas
- Revenue cycle operational process improvements, including cash acceleration and business office redesign
- Coding compliance to Medicare's billing standards and requirements
- Patient care level documentation improvement and education to support clinical decisions and financial reimbursement for services provided
- Financial and contractual management to support and protect an organization's revenue stream during and post transition beyond Medicare and extended to the private payor environment
- Technology improvements to support ICD 10 coding environment and report standards
- Service provider management to ensure their compliance to ICD 10

Your benefits include:

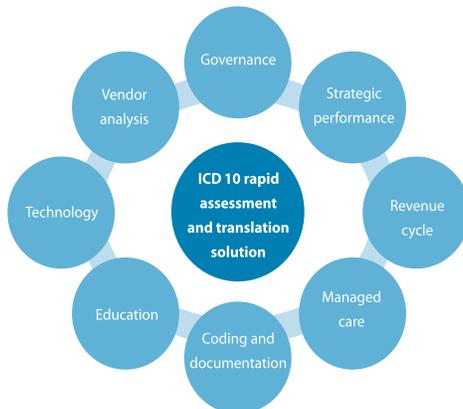
- Successful transition to ICD 10 and compliance with Medicare
- Process improvements across the organization
- Coding and documentation improvement across the organization
- Technology improvements across the organization
- Revenue management including budget neutrality during ICD 10 transition

Don't delay your ICD10 efforts:

Although CMS has announced a delay to the effective date of October 2015 for ICD 10, we have seen the many benefits of early adoption. It is our recommendation that intermediate and late adopters use the delay advantageously to achieve some early adoption benefits and get ahead of the new deadline, whatever the date may be.

Some expected risks are:

- Decreased payment due to incomplete physician documentation
- Increased compliance risk
- Decreased payment due to unanticipated changes in commercial, Medicare and Medicaid DRG/MS-DRG classifications
- Increased denials due to ICD 10-revised and dependent, national and local coverage determination policies
- Increased A/R due to log-jammed internal and external claims processing operations
- Increased claims processing complexities, A/R management challenges due to expected concurrent coding ICD 9/ICD 10 transmission capabilities due to:
 - Pre-Oct. 1, 2015 patient stays will be processed under ICD 9 coding system
 - Some payers not required to convert to ICD 10
- Information system complexities and interdependencies
 - Systems may not be ICD 10 incompatible
 - Non-native ICD 10 systems may rely on "Medicare-type" GEM logic leading to unanticipated consequences
- Decreased coding productivity leading to HIM coding understaffing due to a significant unplanned learning curve related to:
 - Sheer volume of codes increasing from ~18,000 to 140,000
 - Increased significance of coder competencies in medical terminology and clinical practice variations
 - Significant number of ICD 9 codes without ICD 10 choices
 - Significant number of complex (combination) codes with scenarios and choices
 - Significant number of ICD 9 clusters that now map to single ICD 10 codes
 - Significant number of ICD 10 clusters that previously mapped to an ICD 9 code
- Coding personnel shortages due to increased demand for coding



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