

The Role Software Vendors Must Play to Ensure a Smooth Transition to ICD-10

Sean Benson, for HealthLeaders Media, September 1, 2009

The healthcare industry may have two years longer than originally expected to complete the transition to ICD-10, but the 2013 effective date established by the Centers for Medicare & Medicaid Services leaves no room for procrastination.

The transition impacts all segments of the industry, but it will be providers that are the most affected. In addition to getting their own systems and processes in place to accommodate the expanded code set, they must also be prepared to accommodate any variances in transition schedules among payers and vendors.

Indeed, a significant challenge confronting many provider organizations is a lack of definitive information from vendors—technology vendors in particular—that they need to establish strategic transition plans and budgets. The vendor community may be in the midst of its own transition planning, but it has a broader responsibility and immediate role to play in ensuring its healthcare clients can embark on a smooth, seamless and successful move to ICD-10.

For example, provider organizations need to know now:

- If their existing systems can support ICD-10.
- The cost of any necessary upgrades or replacements to achieve ICD-10 compatibility.
- Whether or not upgrades will be covered by existing contracts.
- If compatible upgrades or replacements will be available within the necessary timeframe.
- Whether existing systems are capable of operating in both ICD-9 and ICD-10 environments to accommodate the transition schedules of payers and billing vendors.

A Call to Action

Providers have not been silent about their concerns regarding vendor readiness and cooperation as they embark on their ICD-10 transition planning. In fact, 55% of hospital CIOs surveyed by the College of Healthcare Information Management Executives identified these as the top hurdles to achieving compliance with the new code and transaction set.

That survey also found that 60% of CIOs had not been alerted to vendor implementation timelines. Further, 72% didn't know if their vendors would include ICD-10 in annual software upgrades, and 53% didn't know if the changes would be covered by "federal and state" clauses in their contracts. These clauses generally leave vendors responsible for government-related software updates.

Physicians are also concerned about IT vendor readiness, and with good reason. A survey of physician practices by the Medical Group Management Association found that 95% would, at the very least, require software upgrades to ensure their practice management systems were compatible with ICD-10. Further, 64% indicated they would need to purchase code-selection software.

For these reasons, the healthcare industry is calling upon software vendors, particularly those whose applications link directly to the documentation, coding and billing processes, to take a proactive role in their clients' transition strategies. Top tier technology vendors are preparing now to answer that call—if they haven't already done so.

Proactive Vendor Engagement

In an ideal world, vendors would already have publicized their specific transition schedules. They would also step up to manage the heavy lifting by providing upgrades that allow clients to automatically produce coder-ready documentation appropriate for ICD-10. These upgrades would also accommodate the dual-coding environment that will likely be necessary during the early days of deployment.

In the real world, not every vendor is able or willing to do so. Nonetheless, vendors have a responsibility to at least inform their provider clients whether or not the systems they have in-house can support ICD-10, or if upgrades will be made available and the cost of those upgrades. Early notification is particularly important if systems are not and cannot be made ICD-10 compatible to allow clients ample time to undertake the lengthy process of identifying and installing replacements.

A realistic solution is for vendors to reach out to their provider clients and assume a proactive role in transition planning. Doing so allows vendors and clients to work together to determine what is needed to achieve compliance, how much it will cost and what the various deliverables will be. This, in turn, allows them to reach mutually beneficial agreements on who is responsible for executing each element of the transition plan and the timeline for that execution.

To maximize the time spent in these vendor meetings, provider organizations should first conduct a thorough evaluation of any IT applications that will potentially be impacted by the change to ICD-10, including:

- Practice Management/Billing
- Registration/Scheduling
- Documentation/Coding/HIM

- CPOE/EHR/EMR

Hospitals and practices should also identify which systems may need to operate in a dual environment and for how long. They need to determine how long the ICD-9 system will need to be accessible and by whom, as well. For example, anyone responsible for data analysis will likely require access to the old system for longer than coding and billing personnel. The billing department may also require longer access to ICD-9 to process older claims and to manage any necessary re-billing.

Armed with this information, hospitals and software vendors will be better able to work together to hammer out a plan of action, budget and timeline for the IT aspects of the ICD-10 transition. This includes identifying which software modifications will be needed to accommodate format changes, new diagnostic codes, etc.

For the most part, modifications will include expanding field sizes, changes to alphanumeric composition, decimal use, redefining code values and interpretations, edit and logic changes, table structure modifications, etc. Reports or forms may also require modification or redesign. For example, practices that utilize superbills will need to make significant changes to accommodate the expanded number of codes contained within ICD-10.

Vendors can also assist in determining if and how the transition to ICD-10 might be leveraged to introduce additional enhancements to the IT infrastructure. One example is deployment of new applications, such as service-line specific automated procedure documentation and coding tools, which can ease the transition to ICD-10, while also delivering streamlined workflow processes and increased revenue.

The transition to ICD-10 will affect every segment of healthcare, including providers, vendors and payers. Success will depend upon how accurately and efficiently providers are able to implement the technology changes required to accommodate the new code set.

For this reason, software vendors must recognize the critical role they play in transition planning and get involved with their clients now to ensure they are building a solid foundation for a smooth transition.

Sean Benson is co-founder and vice president of consulting with ProVation® Medical, which is part of Wolters Kluwer Health. He can be reached at sean.benson@provationmedical.com.

For information on how you can contribute to HealthLeaders Media online, please read our [Editorial Guidelines](#).

Back