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WHITE PAPER

I write a white paper for the transition to the new billing code system, ICD-10 for Bonafide. This was a major transition for their customers and prospects. The white paper explained what the transition would entail, why it was important, and the best ways to successfully make the transition as efficiently as possible.

 **Bonafide**
smart. simple. superior.

Bonafide's
Complete Guide to
the ICD-10
Transition for the
DME Industry

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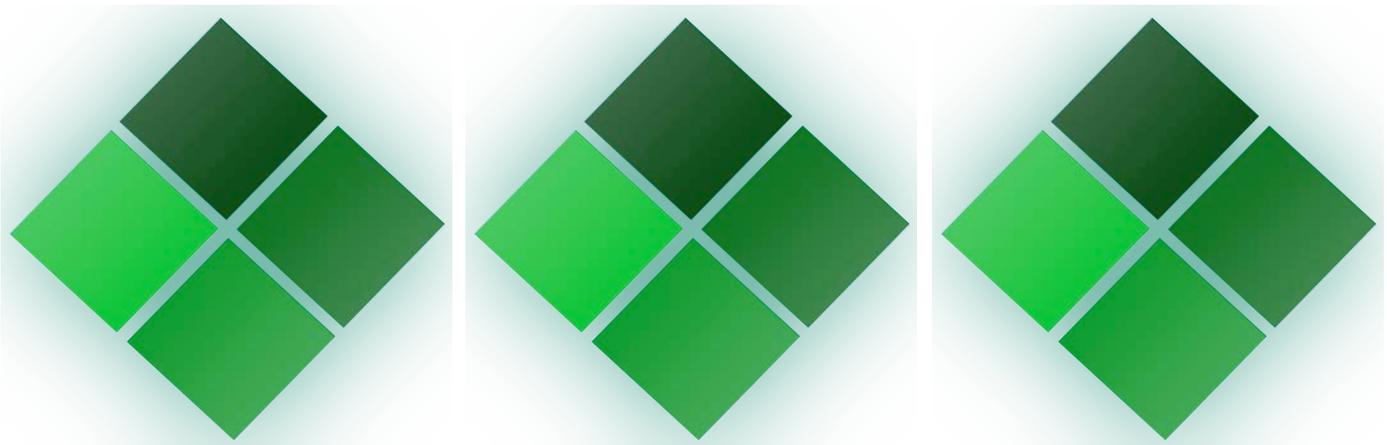
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Executive Summary

ICD-10 will be fully and officially implemented on October 1, 2015. The new system increases the number of codes for procedures from 3,824 under ICD-9 to 71,924 under ICD-10 and the number of codes for diagnosis from 14,025 under ICD-9 to 69,823 under ICD-10. While software will help with a large part of the transition, DME providers will still find the move to be labor intensive. New orders with ICD-9 codes will not be reimbursed after September 30, 2015. The biggest challenge of this transition may be the expected crimp in cash flow as DME providers deal with claims that straddle the deadline, poor coding from physician's offices, and the likely delays caused by the switch.

DME providers are encouraged to prepare for implementation now by evaluating every place in their business where the codes will have to be updated outside of the billing software. Bonafide is ready to help providers by making training materials and transition guides available. Bonafide is committed to making the transition as easy as possible for DME providers.

Bonafide has made sure that ICD-10 codes are loaded directly into the Claim Information Tab. The GEMS Mapping Section lists all possible scenarios for the ICD-9 and ICD-10 Diagnoses Search. Users are also able to reverse search from ICD-10 to ICD-9.



The ICD-10 Transition

The previously delayed implementation of the transition from ICD-9 to ICD-10 will take place October 1, 2015. On and after that date all new DME orders must have ICD-10 codes to be eligible for payment.

The ICD-10 expansion of codes is massive. Under ICD-9 there are 17,849 codes, 14,025 of which are for diagnoses. ICD-10 has a total of 141,747 codes. 71,924 of these codes are for procedures and 60,823 are for diagnoses. The codes will have a different format and will communicate more information. Because the expansion is so large there is very little one to one correspondence of codes.

New Code Format

ICD-9 codes are three to five characters long with the first character being a number or letter followed by two to three numbers. The only letters used are “E” and “V” and a decimal is used after three characters. They look like this:

A/# # # . # # - Generic format

813.20 – Closed fracture of shaft of radius or ulna, unspecified.

ICD-10 codes are three to seven characters long and have a more varied mix of letters and numbers. The first character is a letter, and all letters except “U” are used. The second character is a number and characters three through seven can be letters or numbers. “X” can be used as a dummy placeholder. A decimal is still used after three characters. These codes look like this:

A # A/# A/# . A/# A/# A/# -
Generic format

S52.90XA – Unspecified fracture of unspecified forearm, initial encounter for closed fracture.

As the date for ICD-10 implementation draws closer, DME providers are discovering that they often will need much more information from clinicians than they have in the past.

Challenges to ICD-10 Transition

DME providers primary concern is to make sure billing systems are ready to go October 1, 2015 with the ICD-10 codes so that claims will be paid and not returned or rejected by CMS for improper coding. But, the challenges go far beyond a software update. A variety of business documents, training materials, practices, and habits will need to be changed to ensure business continues to go as smoothly as possible. ICD-10 codes cannot be used prior to October 1st on billings to CMS. For months or years after the change over, DME providers will need to deal with dual code sets as patients with dates of service prior to October 1st continue to move through the system. Managing the transition to ICD-10 requires preparation and perfect timing. Even with a solid transition plan and implementation of ICD-10, DME providers may still experience delays or interruptions to their cash flow.

While the Bonafide billing software will be ready to handle the transition to the new codes and the special challenges DME providers face in handling dual code sets, many business documents will need to be changed. Documents that will need to be updated include contracts, encounter forms, superbills, training documentation, operations documents, and any other document that references the ICD-9 codes.

Employees will need to get up to speed on the changes. Because almost everyone on your organization interfaces with the codes in one way or another, the training will need to be widespread. While mistakes in coding have always been a financial risk, the chances of mistakes will be greatest during the initial weeks after October 1, 2015. These mistakes may cause even more than the usual delays as all providers struggle with the changes and the system may be overwhelmed with errors, making payments late.

Dealing With Referring Physicians

Referring physicians and providers will also present a challenge. Mistakes in codes coming from a physician's office will require additional staff time to correct. DME providers may not have enough information to properly fix codes sent from the referrers in error. This will result in delayed billing until the information needed for corrections is received and additional staffing costs.

Because there are so many new codes, few ICD-9 codes map directly onto an ICD-10 code. Many, if not most, ICD-9 codes will map to several different ICD-10 codes depending on the details of the diagnosis or procedure. A few ICD-9 codes do not appear to map to any ICD-10 code.

Dual Code Sets

One of the biggest challenges DME providers will face during the transition is dealing with both the ICD-9 and ICD-10 code sets concurrently. While any orders for dates of service after September 30, 2015 will be required to have the ICD-10 codes in order to be paid, orders with dates of service prior to that date should have ICD-9 codes. This spanning of codes will only be allowed for orders with dates of service on or before September 30, 2015, and all timely billing rules will apply.

The Medicare claims processing system will not be able to handle orders with two sets of codes, or orders with dates after September 30, 2015 using the ICD-9 codes. All claims with these deficiencies will be rejected. Medicare has promised that claims will not be denied "[based solely on the specificity of the ICD-10 diagnosis code as long as the physician/practitioner used a valid code from the right family.](#)"

Managing the Transition

Each of these challenges can be managed and overcome with sufficient planning and by taking action quickly. Bonafide's technology will do much of the heavy lifting in terms of creating accurate billings that will get paid after the transition. The software also provides solid tools to help staff map codes from ICD-9 to ICD-10. However, there are several additional steps every DME provider needs to take in order to make sure the transition goes smoothly and has the least possible impact on revenue and cash flow.

Assessment

The first step is to critically assess the situation of your business. Every firm will be impacted differently by the coming changes. If you conduct a charge summary by primary diagnosis code, you will be able to see the level of complexity in your own business. As part of conducting an assessment you will also need to review every business and operations system and identify areas where ICD-9 codes are being used, including in documentation, reference materials, and training documentation.

During the initial assessment special attention should be paid to your partners and referring physicians. The business will inherit any coding mistakes from referring physicians, some of which your staff may not be able to resolve without further information from the clinician or their office. Contact referring physicians and begin working on a protocol to deal with coding issues before you have to deal with them.

Planning

Once you understand the areas of your business that will be affected by the ICD-10 transition, it is time to formulate an action plan with realistic deadlines. The countdown starts today and the deadline is October 1, 2015. Your plan should include when and how staff will be trained, how to prepare providers, and how to conduct billings under the new system. Staff should also become familiar with the tools available with the billing system.

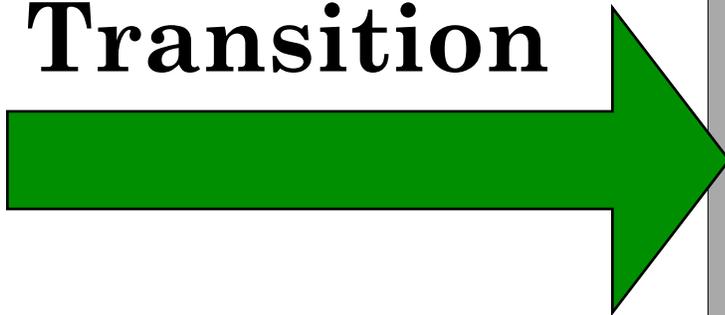
The action plan should also contain details on the financial aspect of the transition. The costs of training, implementation, and communication need to be calculated and budgeted. Additionally, the financial portion of the action plan needs to address the possibility of delays and interruptions to cash flow as the massive national roll out begins.

Communication

After you have a clear direction you need to communicate your plan to all of the stakeholders. This means keeping staff informed of the dates for training and the importance of a smooth transition. A regular dialogue should be held with referring physicians so that if problems arise they can be dealt with quickly and efficiently and you are not left waiting for weeks to hear back on billing issues.

Your plan and confidence in managing the transition also should be communicated to your vendors and customers. Everyone from wholesale suppliers, the delivery service, and the billing service need to be kept in the loop as much as is relevant.

4 Steps to Managing the ICD-10 Transition



1. Assessment
2. Planning
3. Communication
4. Execution

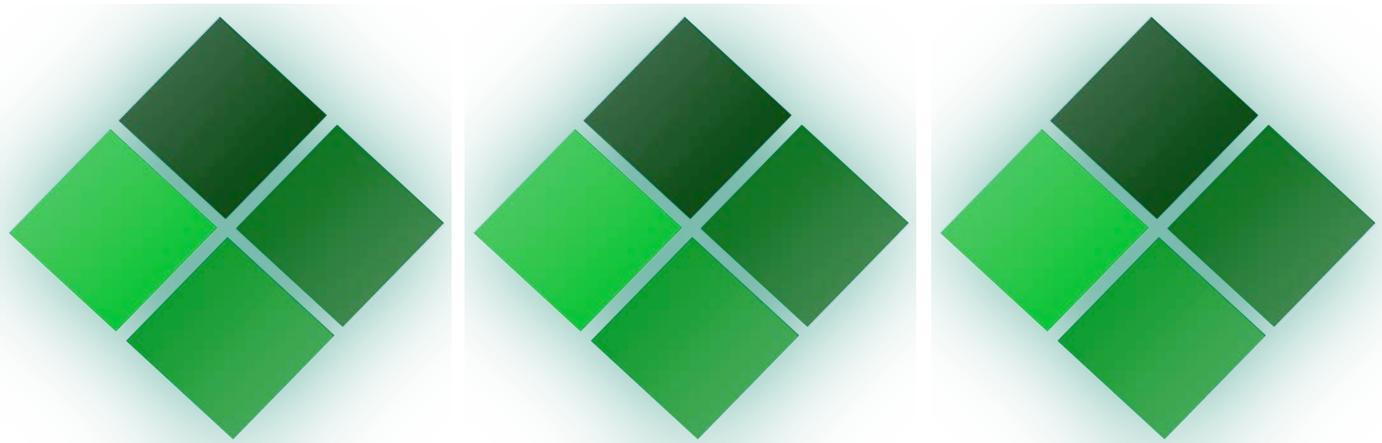
Execution

Once you have a plan in place you need to start executing. Time is running out. Communication will be an ongoing part of executing your plan. Prioritize learning the most important ICD-10 codes for you business and worry about the less frequently used codes down the road. Staff needs to practice ICD-10 crosswalk mapping and be comfortable with it prior to October 1st.

Make sure you conduct system wide tests before the deadline. You will also want to communicate with Bonafide to know when they are conducting systems tests, so that your billing flow is not interrupted unexpectedly.

Bonafide's ICD-10 solution is designed to give you all the tools you need to make sure your billings continue to be successfully processed. This includes ICD-10 codes being loaded directly into the Claim Information Tab. The GEMS Mapping Section lists all possible scenarios for the ICD-9 and ICD-10 Diagnoses Search. Users are also able to reverse search from ICD-10 to ICD-9. The DX search contains a tree view for diagnoses that shows all the multiple ICD-10 matches. The description field is also now a keyword search tool, allowing search to be used as a stand-alone tool.

Once you have begun executing your plan reach out for help if you run into any issues. Bonafide has training materials and tools to help you get ready for ICD-10 as painlessly as possible.



Conclusion

The ICD-10 transition is a major undertaking for DME providers, but with careful planning and dedicated execution, it is manageable. Bonafide is ready to help you make a smooth transition. The challenges of a new set of codes eight times larger than the ICD-9 code set will be met with a combination of cutting edge technology, easy to use tools, careful planning, and disciplined execution. Together you and Bonafide will get your firm ready for the ICD-10 deadline.

**For More Information About Making the ICD-10
Transition Contact Bonafide Today**

Bonafide.com

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