ICD-10 Delay Impacts All Sectors of Healthcare

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INDUSTRY ATTEMPTS TO ANSWER THE QUESTION ‘WHAT NOW?’

As news of the ICD-10 implementation delay sinks in, government, providers, and educators assess the impact.

By Chris Dimick

“THE ICD-10 DEADLINE will not be delayed. October 1, 2013 will be the first day of its use. Prepare or get left behind.”

This mantra had been repeated by government spokespeople, healthcare associations, and industry advisors for nearly three years since the Centers for Medicare and Medicaid Services (CMS) first announced in 2009 that the US would transition to ICD-10-CM/PCS. So when CMS acting administrator Marilyn Tavenner told a group of physicians in February that CMS would “reexamine the pace” of the ICD-10 implementation, followed by similar talk of a possible delay by the Department of Health and Human Services, reactions were as strong as they were varied.

In April, HHS issued a proposed rule that would officially push back the ICD-10 compliance date one year, to October 1, 2014. While a firm date for the final rule had not been publicly announced at press time, some industry analysts expected the rule as early as June.

Some physicians and groups that had fallen behind on their ICD-10 implementation rejoiced at the delay news, while stakeholders who had already invested thousands of dollars and hours into ICD-10 were left to wonder what impact a delay would have on their efforts. Others, including many HIM professionals, were outright shocked and angered by the original delay announcement.

Although there are two sides arguing whether the effects will be positive or negative, it is inevitable that an ICD-10 implementation delay will impact the healthcare industry. Physician groups like the American Medical Association (AMA) have said the delay will give providers more time to implement ICD-10 at a time when multiple government initiatives are already costing precious time and money, ranging from the EHR meaningful use incentive program to pay-for-performance initiatives like accountable care organizations.

AHIMA’s HIM experts have said that any ICD-10 delay hurts the healthcare industry by prolonging the switch to a more modern and specific code system that will improve healthcare reporting, and even care itself. The longer the delay, the worse the impact, according to Dan Rode, MBA, CHPS, FHFMA, vice president of advocacy and policy at AHIMA. While a one-year delay is more manageable than an extended one, it is still likely to have a negative impact on the healthcare industry, Rode says.

General Delay Impact

Just as ICD-9 has roots secured deep within healthcare, ICD-10 has already begun to embed itself within the industry. Postponing ICD-10 has a far-reaching impact, touching multiple government health initiatives, healthcare providers’ budgets, and even classrooms across the country. When ICD-10 is implemented, it will be required by HIPAA-covered entities—with CMS eventually imposing fines for non-compliance. While some procrastinated in the last few years, others made it a point to take the oft-promised deadline of October 1, 2013 to heart.

The biggest fear of ICD-10 supporters is that a delay in the ICD-10 deadline will cause people to either halt their implementation plan or continue to procrastinate. Neither is recommended. AHIMA has urged the healthcare industry to remain vigilant in their ICD-10 transition efforts despite an implementation delay.

“The longer the US delays implementation of ICD-10-CM/PCS the more healthcare data will continue to deteriorate at a time when the need for data integrity is urgent,” AHIMA wrote.

Conflicting Studies

IT IS UP for debate whether the delay of ICD-10 was a political move aimed at appeasing powerful sectors of the healthcare industry or a necessary action that gave a struggling industry more time to convert to a complex code set.

Various studies have been performed that give ammunition to both sides. A February survey from the Workgroup for Electronic Data Interchange (WEDI) showed that some of the healthcare industry was not on track to meet the ICD-10 compliance date of October 1, 2013.

Based on the premise that impact assessments should have been completed by the end of 2011 if entities were to remain on track, the survey results showed that nearly half of provider respondents indicated that they did not know when they would complete their impact assessment, according to a WEDI press release.

However, the survey respondents were mostly small providers, who historically have tracked behind larger provider groups and health systems in ICD-10 readiness.

In a December 2011 survey conducted by CMS titled “Version 5010 and ICD-10 Readiness Assessment,” the results were much different. A total of 82 percent of providers said they believe they would be compliant by the original October 1, 2013 deadline, while 88 percent of payers and 75 percent of vendors said they would have been ready.