# Welcome to ICD-10 TESTING READINESS









### **Topics for Discussion**





#### ICD-10 Overview

#### Risks and Rewards of Testing

- Risks of Not Testing with ICD-10
- Rewards of Testing with ICD-10

#### Pre-Testing Assessment

Recommended Actions

#### Understanding the Testing Process

- Your Organization's Claims Process
- Internal Testing
- External Testing
- Developing Test Cases
- Troubleshooting
- WV ICD-10 Provider Testing

#### Resources

# ICD-10 Overview



- World Health Organization developed ICD-10 in 1994
  - Later adopted by Health and Human Services (HHS) and Centers for Disease Control and Prevention (CDC).
  - ICD-10 is a provision of Health Insurance Portability and Accountability Act (HIPAA) regulations.
  - HIPAA covers entities that include health care providers, payers, clearinghouses, billing services and others that must transition to ICD-10.
- Moving from ICD-9 to ICD-10 U.S. is the last industrialized nation to adopt ICD-10
- ICD-9 is outdated limited capacity, capability and unable to serve future needs
- ICD-10-CM and ICD-10-PCS code sets
  - ICD-10-CM replaces ICD-9-CM (Volumes 1 and 2)
  - ICD-10-PCS replaces ICD-9-CM (Volume 3)
  - ICD-10 has no direct impact on Current Procedural Terminology (CPT) codes and Healthcare Common Procedure Coding System (HCPCS).

## ICD-10 Overview





Making the transition to ICD-10 is NOT optional

#### Why is the transition necessary?

- ICD-9 code sets are outdated, limited and not expandable
- ICD-9 cannot capture advances in medicine and medical technology
  - ICD-10 code sets use current medical terminology and will allow for advances in medical technology and knowledge
  - ICD-10 allows for greater detail in diagnoses and treatments

### ICD-10 Overview (Cont.)



#### For services rendered <u>on or after</u> October 1, 2015

- All claims must use ICD-10 codes
- Claims using ICD-9 codes for services rendered on or after October 1, 2015 will NOT be accepted
- For services rendered <u>before</u> October 1, 2015
  - All claims must use ICD-9 codes
- Systems must accommodate BOTH ICD-9 and ICD-10 codes
  - Effective with the October 1, 2015 compliance date
- Significant code increase from ICD-9 to ICD-10
  - Increasing from 14,000 to approximately 69,000 ICD-10-CM codes
  - Increasing from 3,000 to approximately 87,000 ICD-10-PCS codes
  - ICD-10 has more than nine times the codes in ICD-9

# Risks of Not Testing with ICD-10



#### Not testing with ICD-10 may:

- Create uncertainties regarding claims adjudication as well as payment of claims.
- Require additional staff and time to correct or adjust incorrect claims.
- Fail to make software issues related to ICD-10 apparent before October 1, 2015.
  - Code changes have an increased risk of failure primarily because of untested branches and paths.
  - Testing allows detection of defects in a system utilizing a code set that has a greater complexity than ICD-9.

# **Rewards of Testing with ICD-10**



#### Testing may:

- Minimize delays in claims adjudication.
- Help to minimize issues that may occur on October 1, 2015.
- Assist in preparing your staff for the transition.
- Allow for hands-on experience prior to October 1, 2015.
- Provide practice for converting commonly used ICD-9 codes to ICD-10 codes.



### **Pre-Testing Assessment**



Recommended actions for your organization to have in place prior to testing are:

- Develop a plan of action or a roadmap
- Select an ICD-10 champion who can lead transition efforts
- Review your ICD-9 coding to identify the areas where ICD-10 will affect your organization
- Start training initiatives with your staff

### **Understanding the Testing Process**



It is vital that you have a firm understanding of your claims submission process. Knowing this will enable you to have an effective and successful testing period.

- Do you submit claims to a clearinghouse, outside billing firm or other?
- Do you submit claims directly to the Bureau for Medical Services (BMS) fiscal agent? What about your other payers?

# Understanding the Testing Process (Cont.)



# The stages of testing are vital and equally important to a successful transition.

- Internal Testing
  - Integration Testing
  - End-to-End Testing
- External Testing
  - Providers, Clearinghouses and Payers
  - End-to-End Testing
  - Work with payers to develop test scenarios to conduct end-to-end testing specifically to identify payment results.

### **Internal Testing**



This phase involves merging all components impacted by ICD-10 and executing a test to accomplish the flow of ICD-10 data.

- Did the internal test scenarios accurately represent your practice and its daily activities? This should include any special processes performed for the end of a week, a month or a year.
- What were the lessons learned from testing?
- What do you need to correct prior to October 1, 2015?

# **External Testing**



#### Create a list of your practice's Trading Partners.

- What type of transactions are sent and received?
- Reminder: Have you identified the most commonly used codes for your organization?
- Communicate with Trading Partners to gauge their state of readiness for ICD-10.
  - What steps have they taken to ensure a smooth transition?
  - Are they testing internally and externally?

#### Determine your Trading Partners' testing guidelines.

- Is there a checklist of specific testing criteria they want you to follow?
- Is there a schedule or a testing timeline?
- Will they provide you with test cases?
- Will they assist with remediation of negative test cases?

## **Developing Test Cases**



# When developing test cases, it is best to refer back to high-volume/high-dollar claims that you have had in the past.

#### **Test Cases should include:**

- Both positive and negative scenarios
- Simple and complex test cases
- System edits and audits
- Date validation





Testing provides great feedback during the transition to ICD-10. Test cases can be utilized as lessons learned to target issues prior to October 1, 2015.

#### We encourage you to:

- Review and correct test cases that did not process as expected.
- Document in detail the steps taken to correct errors.
- If necessary, make updates as needed to your system and processes.
- Ensure that your staff is well-versed with coding, medical terminology and policies.

# WV ICD-10 Provider Testing



- WV Medicaid will be conducting pilot testing for ICD-10 transition between June 1, 2015 and August 28, 2015.
- Please refer to the <u>WV ICD-10 Pilot Trading Partner Testing</u> <u>Manual</u> for instructions for participating in this test.
- For more information about ICD-10 testing for providers, see the link below:

CMS End-to-End Testing

### **ICD-10** Resources









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The Professional Association of Healthcare Coding Specialists

### ICD-10 Resources (Cont.)



#### **Centers for Medicare & Medicaid Services (CMS)**

CMS ICD-10 Main Page

http://www.cms.gov/ICD10

CMS Overview

http://www.cms.gov/Medicare/Coding/ICD10/Statute\_Regulations.html

CMS ICD-10 Implementation Planning

http://www.cms.gov/Medicare/Coding/ICD10/ProviderResources.html

•HHS, CMS ICD-10 Final Rule and October 1, 2015 Compliance Date Announcement

http://edocket.access.gpo.gov/2009/pdf/E9-743.pdf http://www.gpo.gov/fdsys/pkg/FR-2015-08-04/pdf/2015-18347.pdf

#### World Health Organization (WHO) ICD-10 Page

http://www.who.int/classifications/icd/en/

#### West Virginia Resources

WV Molina Medicaid Solutions ICD-10 Transition Website <u>https://www.wvmmis.com/SitePages/ICD-10%20Transition.aspx</u>



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