

Indian Health Service Rockville MD 20852

#### FEB 6 2015

## Dear Tribal Leader:

I am writing to update you on the status and plans for the International Classification of Disease, Revision 10 (ICD-10) initiative for Indian Health Service (IHS), Tribal and Urban (I/T/U) Indian health programs. This is a critical initiative given the significant impacts to billing and revenue generation at all I/T/U facilities and sites. So, I encourage you to become familiar with the impacts of ICD-10 and the steps required to meet the mandatory compliance date of October 1, 2015.

## **Background**

ICD-10 is the new version of codes used by health care providers and their support staff, especially medical billers and coders, to classify patients' medical conditions and procedures. These codes enable accurate billing and are essential for maintaining revenue. ICD-10 will replace ICD-9 nationwide by all federal and non-federal providers, third-party payers, and intermediaries effective October 1, 2015. The new version is more detailed and more current in terms of modern medical knowledge and medical practice and will result in improved billing and better care quality. The number of codes has increased significantly to allow for more precise descriptions of conditions and procedures, and the alpha-numeric format of the codes is slightly different to accommodate the larger number of codes.

Since today's medical billing processes are mostly automated, the update to ICD-10 requires updating software and testing the software to ensure that it is transmitting the new codes properly. However, given the number of steps in the billing process, the number of people involved in the process, and the large number of impacted software applications, the upgrade and testing processes are very complex. Nevertheless, IHS is making good progress toward this transition.

# Who is Impacted

All Health Insurance Portability and Accountability Act (HIPAA) covered entities, which includes most I/T/U facilities, must meet the October 1, 2015, deadline regardless of the version of electronic health record (EHR) system they are running. While the deadline was delayed twice before, once by the Department of Health and Human Services (HHS) in 2013 and once by Congress in 2014, we are not expecting it to be delayed again.

## **Steps to Prepare for the Transition**

If you are served by an IHS managed facility, I assure you that IHS is making progress toward successful implementation by the October 1, 2015 deadline. If you are served by a Tribally-managed facility, the purpose of this letter is to provide helpful information as your facility or site takes steps to transition to ICD-10. In general, the following steps must occur to prepare for the transition:

- 1. Upgrade to the 2014 Certified Electronic Health Record System (complete). All RPMS sites must upgrade to the 2014 certified version of RPMS. It is a prerequisite to upgrading to the ICD-10 version of RPMS. Since both upgrades are very complex, facilities and sites are strongly encouraged to upgrade to the 2014 certified version of RPMS well in advance of the ICD-10 upgrades being released. The good news is that most RPMS facilities and sites have completed their upgrades already. If your facility or site has not yet upgraded, they should coordinate with their respective area office to complete the upgrade as soon as possible. Resources to support these prerequisite upgrades will be extremely limited once the ICD-10 upgrade process begins, and your facility or site's future revenue could be at risk.
- 2. **Software development to incorporate ICD-10 changes (complete)**. The IHS Office of Information Technology (OIT) has completed initial development to upgrade the Resource and Patient Management System (RPMS) to accommodate the new ICD-10 codes. Facilities and sites that do not use RPMS, must monitor the progress of their software vendors to ensure that they will meet the published compliance date.
- 3. **Software testing (in progress)**. IHS is currently field testing the ICD-10 version of RPMS at four IHS facilities in three different IHS areas. So far, testing is progressing smoothly and IHS/OIT is incorporating fixes to issues identified during testing in parallel to the testing process. IHS/OIT is working with identified facilities to conduct third-party payer testing as well. Thank you to those areas and facilities who are assisting with testing for this critical initiative. The entire Indian health system will benefit from your efforts.
- 4. **Release tested ICD-10 software (planned)**. IHS/OIT will release the tested RPMS upgrades for ICD-10 in June 2015 in a controlled fashion. Non-RPMS facilities and sites must coordinate with their respective vendors to acquire the upgraded versions of their software.
- 5. **Upgrade EHR and other related health IT systems (planned).** All systems that collect, store, transmit, or display ICD-9 codes today must upgrade to new versions of the respective software that support ICD-10. IHS/OIT and other program offices within IHS headquarters and in the IHS areas will be working with RPMS facilities sites to facilitate the upgrade process. Non-RPMS facilities and sites must coordinate with their respective vendors to acquire professional services to support their upgrade, if needed.
- 6. **Prepare the technical staff (planned).** OIT will provide train-the-trainer sessions to area support staff on how to properly complete software upgrades and configurations. Area staff will in turn work with their local facilities and sites to install the ICD-10 release. Non-RPMS facilities and sites must contact their respective software vendors to schedule professional training services, if needed.
- 7. **Prepare the medical support staff (planned).** Facilities and sites must ensure that all providers, billers, coders, and other impacted staff are familiar with the new ICD-10 codes and the importance of accurate clinical documentation. IHS/OIT has made available some general resources on the IHS ICD-10 Website. However, every facility

- and site must take actions to prepare their own systems and staff, given the limited resources available within IHS/OIT to support site-specific training and planning.
- 8. **Develop contingency plans (planned).** Because an upgrade like this has many complex interdependencies of processes, data, people, and systems, there is always the possibility that something could go wrong on October 1. Therefore, all areas, facilities, and sites, irrespective of the type of health IT systems used locally, are strongly encouraged to develop and rehearse contingency plans as the transition date approaches.

## **Additional Information**

Please see the accompanying enclosure for additional steps to assist your facility on your way to a successful ICD-10 implementation. More resources are also available on the IHS ICD-10 website at <a href="http://www.ihs.gov/ICD10/">http://www.ihs.gov/ICD10/</a>. The resources include recommended actions your facility or site can take to prepare for ICD-10, links to videos by the Centers for Medicare & Medicaid Services (CMS), presentations by IHS and others, training information, ICD-10 and the RPMS Integrated Problem List (IPL).

I encourage all I/T/U facilities and sites to take time now to prepare for ICD-10 implementation. As of October 1, 2015, facilities will not be able to receive reimbursements for services without using ICD-10 codes in the billing process, irrespective of the type of health IT systems in use at the facility or site. If you are served by an IHS facility and have any questions, please contact your local facility. If you are a tribally managed facility or site that is involved with billing for third-party reimbursements, we encourage your staff to take action now to prepare for the ICD-10 deadline of October 1, 2015, and to stay in close contact with your respective vendors. Ms. Janice Chase, RHIT, ICD-10 Federal Lead, OIT, IHS, is our point of contact for I/T/Us if you have any questions or comments regarding the IHS ICD-10 implementation. She can be reached by e-mail at janice.chase@ihs.gov. Please share this letter and the enclosure with IT leadership and others, as appropriate.

Sincerely,

/Yvette Roubideaux/

Yvette Roubideaux, M.D., M.P.H. Acting Director

Enclosure: Considerations When Planning and Implementing ICD-10 at Your Site.