



ICD-10 Implementation Plan



AdvantEdge ICD-10

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Introduction

At this point, everyone knows that ICD-10 is on track for implementation October 1 of this year, just a few months from now. ICD-10 represents a completely new set of codes designed for much more specificity and includes designations for anatomic site, procedure, visit specific information and technology. ICD-10 codes can be much more detailed:

- Codes start with a letter and may be up to 7 characters.
- For example, codes will be very specific to right or left and upper or lower anatomic sites.
- The ICD-10 system has more guidelines and more narrow criteria for “not otherwise specified” codes.

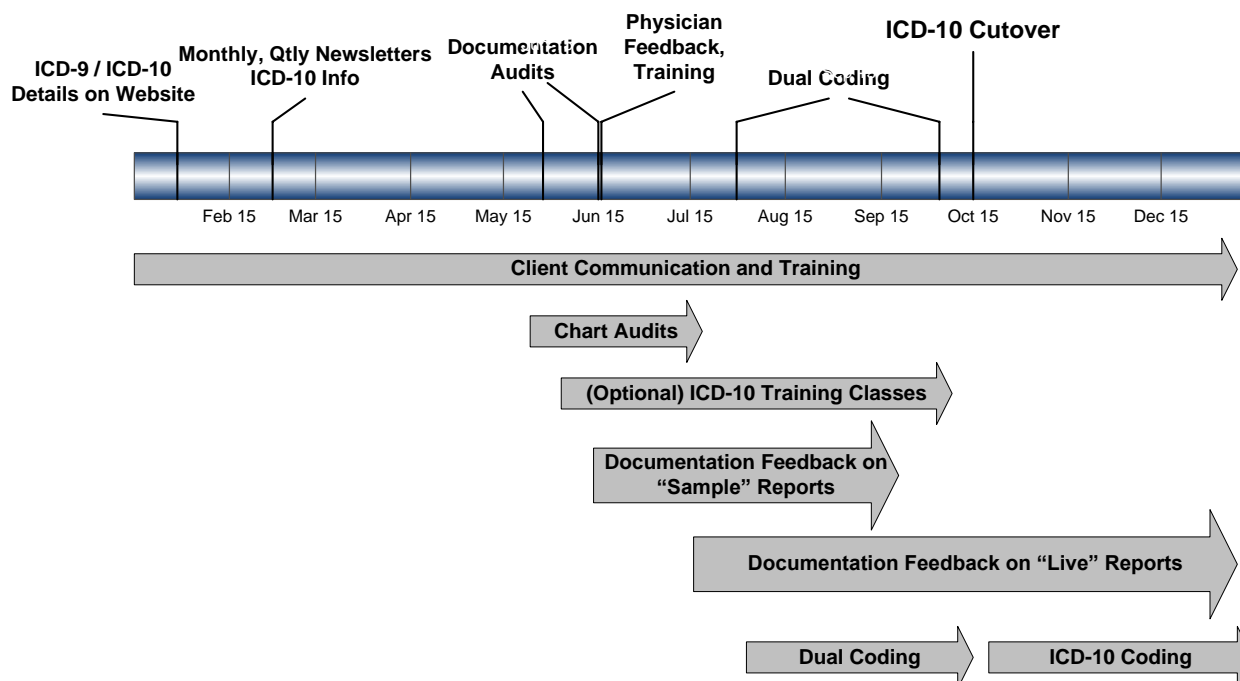
It is important to note that there is no 1:1 crosswalk between ICD-9 and ICD-10.

| ICD-9-CM Code Format | ICD-10-CM Code Format |
|----------------------|-----------------------|
| X X X . X X | X X X . X X X X |

At this point, every physician and group must be getting ready for ICD-10. For those who are not ready, CMS has said that denial rates and Days in A/R may increase significantly.

Client Communication and Training

Obviously ICD-10 has a significant impact on AdvantEdge clients and, specifically each physician. In some cases, additional documentation will be required in order for AdvantEdge coders to assign the correct ICD-10 code. To assist that process, the AdvantEdge newsletter The Leading Edge has been publishing ICD-9 / ICD-10 comparisons for the past two years. All of those comparisons are now available on the AdvantEdge website. In addition, several AdvantEdge whitepapers are available with additional details to help with ICD-10 planning. For the timeframe between now and October, AdvantEdge has a number of initiatives under way to assist clients with the transition as shown here and described on the next page.



For specialists including radiologists, pathologists and many others, additional information will often be needed from referring/ordering physicians in order to have enough detail for ICD-10. An example is cancer diagnoses: lung, breast, colon, uterus, bladder, brain, etc. In order for a coder to apply the most specific diagnosis for breast cancer they should know if it is the right or left breast, lower inner quadrant (C50.311-right, C50.312- left), the lower outer quadrant (C50.511-right, C50.512- left), axillary tail (C50.611- right, C50.612- left), upper outer quadrant (C50.411- right, C50.412- left), areola (C50.011- right, C50.012- left) or at the location of a previous mastectomy.

There are “unspecified” codes for many situations but most observers are concerned because over time, they expect insurance carriers to deny claims where unspecified diagnoses are used. During the initial cutover, it appears that some payers will accept the unspecified codes, but, the more specific codes will eventually be needed and are recommended.

To help AdvantEdge client physicians identify where documentation needs to change, several steps are under way.

1. For clients where AdvantEdge does diagnosis coding, we are currently auditing a sample of reports that will flag the most common ICD-9 codes for each client, showing how well documentation works for ICD-9 vs. ICD-10.
2. AdvantEdge will then provide documentation feedback to client physicians that will walk through the documentation requirements in ICD-10 for the diagnosis codes most commonly used today.
3. AdvantEdge is making its LearningEdge ICD-10 training (described below) available to client physicians and staff. This will provide a convenient way for those who wish to gain a more in-depth understanding of ICD-10 to do so on their own schedule. We are exploring the option for clients to obtain CEU’s as well.
4. During the third quarter, for clients where AdvantEdge does diagnosis coding, AdvantEdge coders will be “dual coding” selected reports and providing final, “fine tuning” feedback to physicians where additional or different information is needed to accurately code in ICD-10.

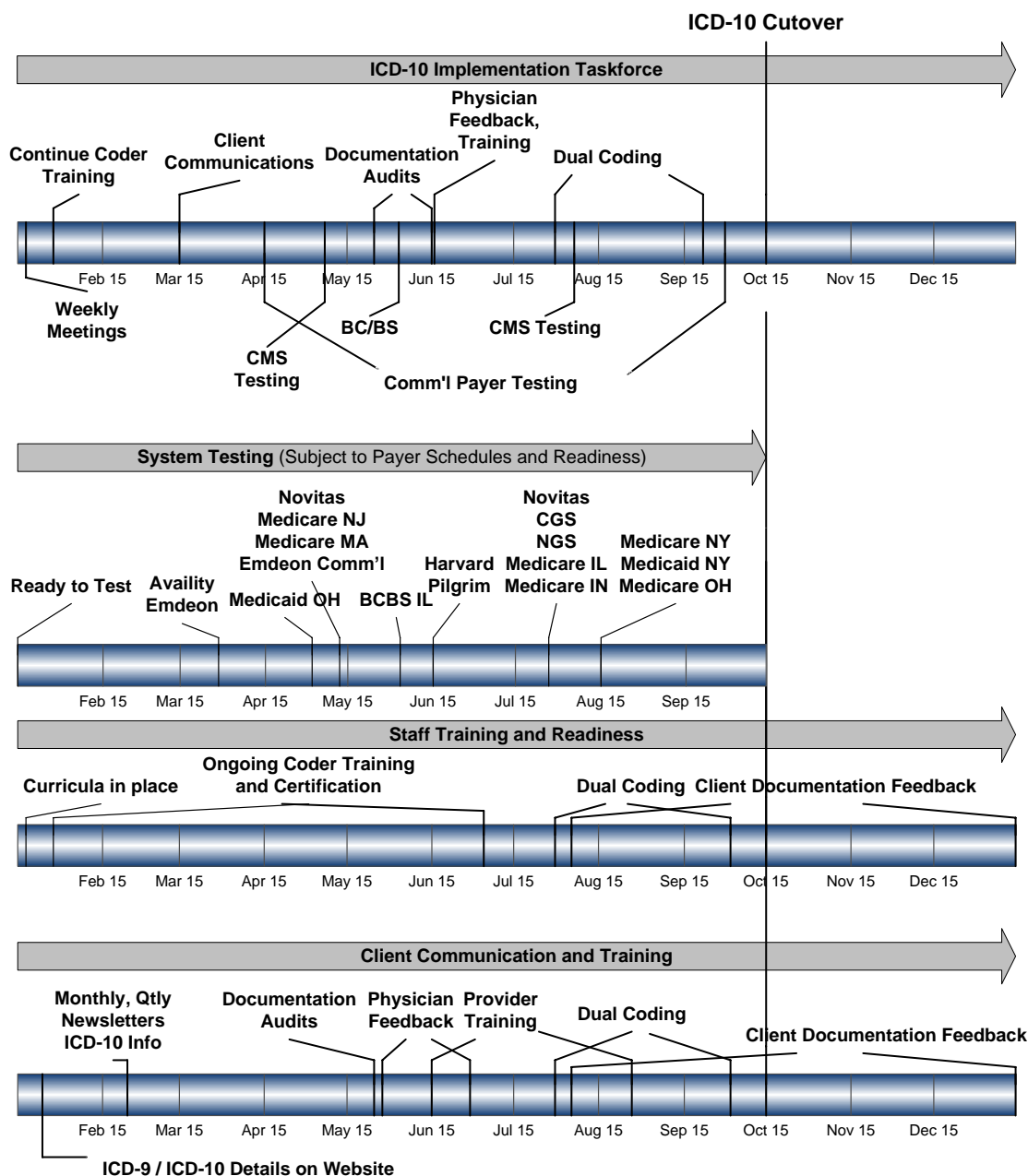
Recognizing that everyone continues to learn about ICD-10 and its implications, we fully anticipate that the content of courses, newsletters, etc. will continue to be updated with the latest information.

What AdvantEdge Clients and Physicians Need to Do

- If you haven't done so already, contact your hospital or professional society and have each physician and key staff member sign up for ICD-10 documentation training/seminars. If those resources are not adequate or if you wish to augment them, AdvantEdge ICD-10 training is available (see Coder Training in this document): please contact your Client Manager.
- If you have an EMR or other systems within the practice, your vendor(s) should already have implemented ICD-10 and be testing with it. If you don't have specific plans and schedules, now is the time to insist on them. If you work with hospital systems, now is the time to become familiar with their ICD-10 features.
- If you have office and/or department staff, make sure you know every person and process that uses or affects diagnosis codes. There should be an ICD-10 training plan for each person in place now. AdvantEdge ICD-10 training is available as an option: please contact your Client Manager.
- If your physicians or coders do diagnosis coding, make sure everyone is scheduled for in-depth ICD-10 training. If you wish, AdvantEdge ICD-10 training is available (see Coder Training in this document). Please contact your Client Manager.
- For group practices where AdvantEdge does diagnosis coding, AdvantEdge requires the name and email address of one physician who is the ICD-10 advocate for the group. This person will be the point person for ICD-10 information sharing, questions and how documentation feedback will be handled. They should also advocate within the group to encourage and enforce ICD-10 compliance and training for everyone involved.
- Once awareness training and documentation training have been completed during the third quarter, all physicians where AdvantEdge does diagnosis coding will be expected to begin documenting with the specificity required for ICD-10. This is the best way to find deficiencies and make corrections prior to go-live.
- As a contingency against cash flow delays which may be caused by payers who are not ready or other possible risks, experts recommend that each practice establish a line of credit for approximately six months of revenue. The time to do so is mid to late summer.

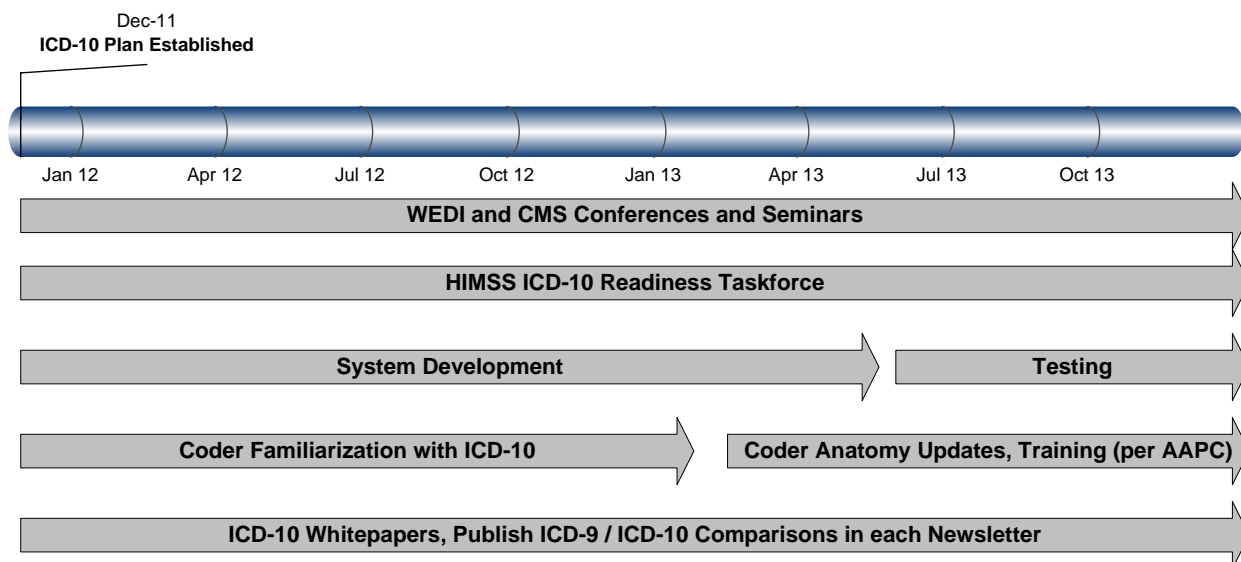
How is AdvantEdge preparing for ICD-10?

AdvantEdge is fully prepared to implement ICD-10 on October 1, 2015 including numerous steps to assist clients with the needed clinical documentation updates. The company has been working on ICD-10 implementation since 2011. For 2015, the company has an ICD-10 taskforce coordinating all of the components of ICD-10 that must come together. An overview of these efforts is shown in this timeline.



Background

In December of 2011, AdvantEdge identified and set up our ICD-10 compliance plan. Our staff has attended the seminars with the Workgroup for Electronic Data Interchange (WEDI) and Centers for Medicare and Medicaid Services (CMS) to make sure we have the most current information and to stay abreast of changes as they are made. Additionally, AdvantEdge staff have actively participated in the HIMSS ICD10 Readiness Task Force, an industry workgroup representing providers, payers and vendors. The group meets monthly to discuss current issues surrounding ICD10 readiness.



Since the beginning of 2014, the AdvantEdge ICD-10 task force has met and continues to meet on a weekly basis to coordinate all aspects of ICD-10 and to adjust to new industry developments as they arise. They are focused on three priorities:

- System Readiness
- Staff Readiness
- Client Communication and Training

Details follow on the first two; the last is described at the beginning of this document.

System Readiness

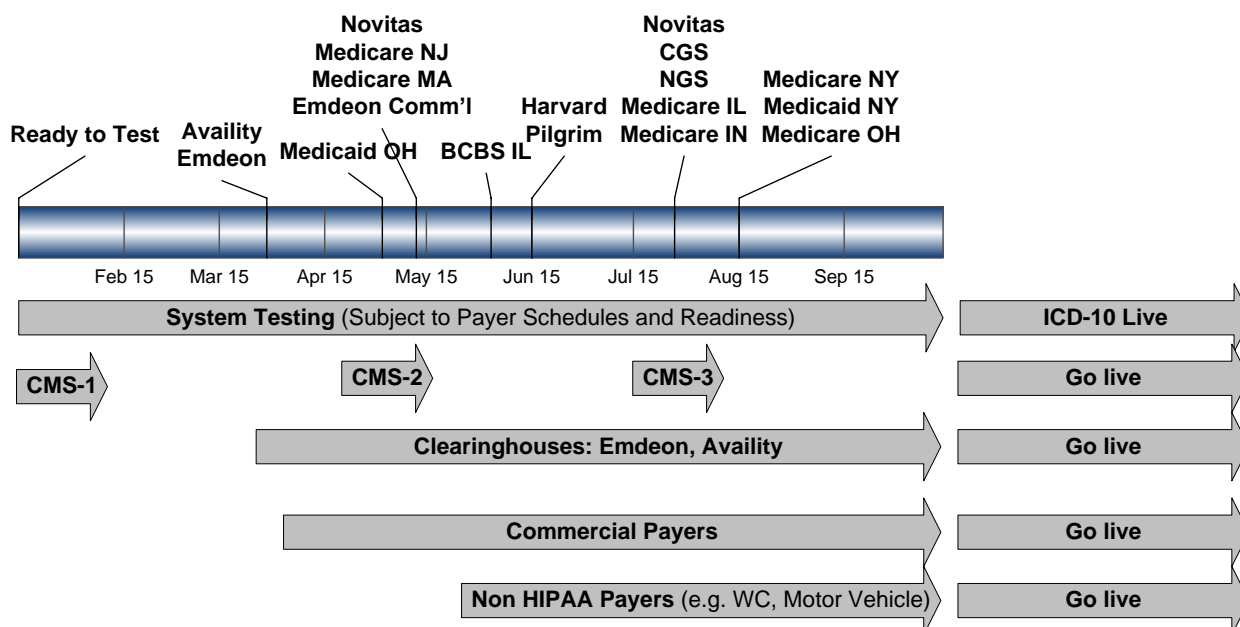
Our development team is concluding a major project that enables all of our software to process ICD-10 codes—in parallel with ICD-9 codes. We are currently testing with as many payers as possible. Initial testing phases focused on system interfaces; later phases test on an end-to-end basis: i.e. from the point of charge entry all the way through claim adjudication and reporting.

The modifications to AdvantEdge's Virtual Manager to accommodate ICD-10 include:

- Data Base changes across the enterprise to accommodate a much larger number (69,000 vs. 14,000) of longer codes, formatted differently than ICD-9.
- Application changes to accommodate ICD-10. Here are a few examples:
 - Our claims filing engine was updated for ICD-10 when ANSI 5010 was implemented.
 - Diagnosis code master files have been updated.
 - The PQRS database has been expanded.
 - Fields on system screens have been expanded.
 - Reports have been re-formatted for the longer codes.
- Dual validation of ICD-9 / ICD-10 based on date of service (before or after October 1, 2015) and type of service, e.g. workers' compensation or no-fault cases.
- Additional validation by trading partners (payer) to accommodate both ICD-9/ICD-10.
- The ability to process both ICD-9 and ICD-10 at the same time in order to:
 - Be able to support the transition time frame immediately before and after October 1.
 - Support payers not required to implement ICD-10 (e.g. workers comp).
 - Have a contingency plan for those payers who are not able to accept ICD-10 on October 1.

Testing

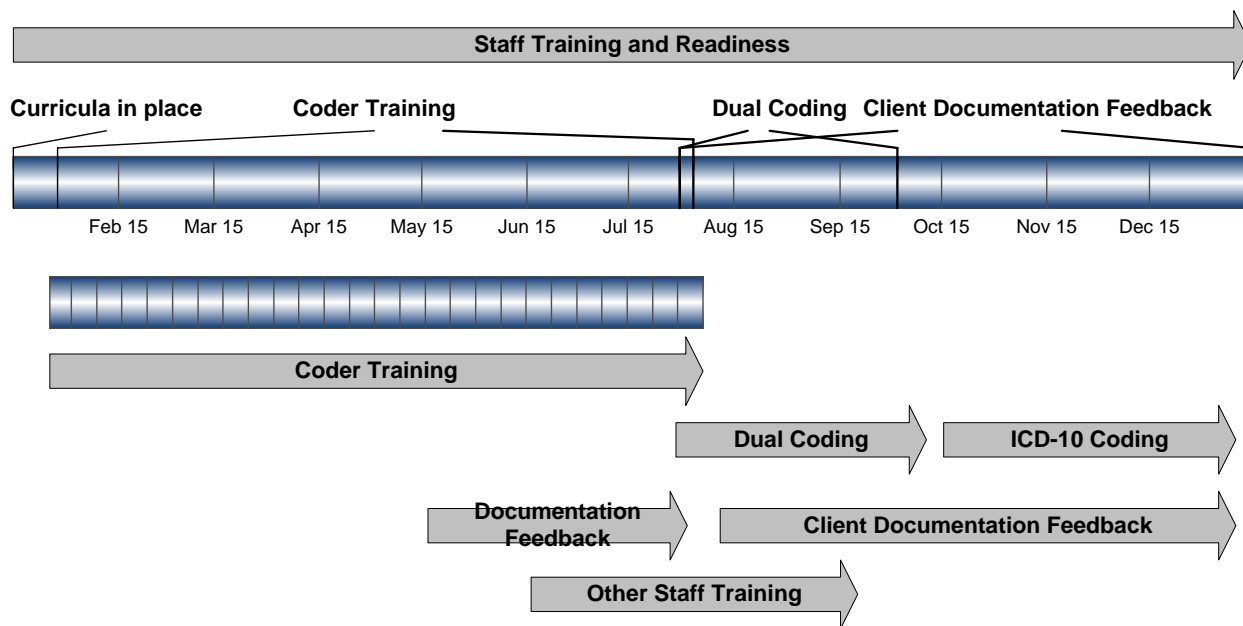
- AdvantEdge participated in CMS' Front-end testing during the first week of March 2014 and passed all initial testing as shown by electronic acknowledgement confirming acceptance of all test claims.
- CMS is conducting more end-to-end testing in 2015 and AdvantEdge is participating with at least 2 MACs. This is a volunteer process where CMS selects a limited number of submitters per MAC. AdvantEdge has volunteered and is participating in as many test schedules as the MACs will accept. AdvantEdge has successfully tested already with CMS Novitas, CMS NGS Medicare of Massachusetts and Emdeon.
- We have been invited to test with BCBS of Illinois and will be testing through our Availity clearinghouse.
- We tested with the Emdeon and Availity clearinghouses in 2014 and sent accepted test claim files. Additional MAC testing via the clearinghouses is scheduled for 2Q 2015.
- For payers exempt from the ICD-10 mandate (workers compensation and no fault), we are working with Emdeon to monitor their ICD-10 implementation plan. Our systems are prepared to convert from ICD-10 to ICD-9, if necessary, for these payers.



Staff Readiness

The AdvantEdge coding team has been preparing for ICD-10 for more than 2 years, using the guidelines from AHIMA and the AAPC. Among other items, these guidelines strongly recommend expanded coder training in physiology and anatomy. AdvantEdge coders have already completed the required anatomy and physiology education sessions through AHIMA that will be instrumental in the correct coding for ICD-10. In addition, our coders are gaining experience through dual coding of selected cases. This training is timed so that coder knowledge will be fully complete for the October first cutover.

Other AdvantEdge staff members will be trained on ICD-10 as required by their job functions. The overall timeline is shown here.



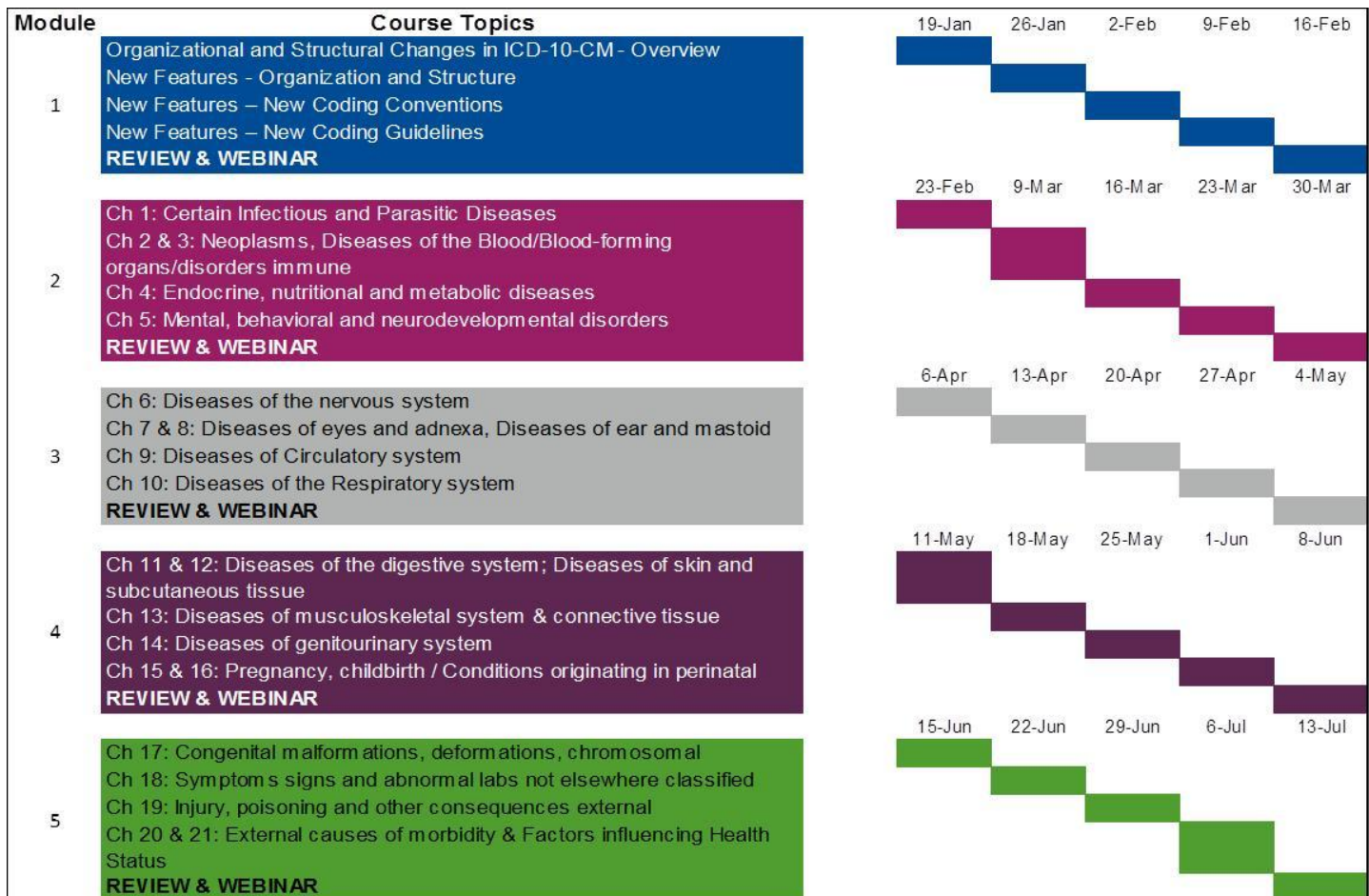
Coder Training

All AdvantEdge coders currently certified for ICD-9 are required to complete training and be recertified for ICD-10. Unlike many firms, all AdvantEdge coders are certified by the recognized industry standard setters: AAPC or AHIMA.

To facilitate ICD-10 education, AdvantEdge has established a comprehensive coding curriculum which all coders are currently completing (see timeline below). To support delivering it, the company has 2 AAPC-certified trainers on staff. The curriculum was designed by and for AdvantEdge using AAPC and AHIMA criteria and has been approved for CEU credits by both AHIMA and AAPC. The customized content allows AdvantEdge to target courses to the specific coding scenarios of its clients.

Some features of the training for AdvantEdge coders are:

- Specialty-specific ICD-10 training for all coders featuring the most common codes used by their AdvantEdge clients.
- Training online using LearningEdge. This allows coders to return to courses for refreshing knowledge and/or to prepare for ICD-10 Certification. In addition, LearningEdge tracks scores and provides managers with status reports on coder training.
- The 25-week program (see diagram on the next page) includes all major modules of ICD-10 plus periodic webinars for review of the material and quizzes to ensure comprehension. Content includes:
 - Main changes from ICD-9-CM
 - Documentation issues
 - Exercises and coding examples
 - Quizzes and tests
- A 10-week dual coding period using the most common diagnosis codes, with significant focus on exercises and quizzes.
- The periodic webinars with our AHIMA certified ICD-10 trainers provide personal attention and an open forum for Q&A.
- The timeline for coder training (currently underway) is shown on the next page. Note that portions or all of these training courses are available to client physicians and staff where they wish to get in-depth understanding of ICD-10 requirements.



The radiology coder training includes a focus on the diagnosis codes used most frequently by our clients. These same codes are the basis for initial feedback (“gap analysis”) to client physicians on their documentation and where it will need to be made more specific. For radiology clients, here are 20 common ICD-9 codes and their ICD-10 impacts:

| ICD-9 Diagnosis | ICD-9 Description | ICD-10 Documentation Issues | | | | | | | |
|--------------------|--------------------------------------|-----------------------------|--------------------|---|--|---|----------------------|------------------------|--|
| | | Laterality | Episode of Care | Acute / Chronic | Anatomical Site Specificity | Patient History | Injury How / What | Pregnancy Trimester | Other |
| V76.12 | Screening Mammogram | | | | | X | | | Routine Screening vs diagnostic (presenting w/symptoms); Inconclusive mammogram |
| 786.50 | Chest pain, unspecified | | | X - Postoperative, neoplasm related, Post-thoracotomy | X Anterior, wall, central or musculoskeletal | | X Due to trauma | | precordial, ischemic, pressure, discomfort, tightness, painful respiration |
| 729.5 | Pain unspecified limb | X | | | X - Upper arm/forearm Thigh/lower leg Hands, fingers, foot, toes | | X | | |
| 511.9 | Unspecified Pleural effusion | | | | | | | | underlying condition: Influenza, tuberculosis, malignancy |
| 793.19 | Nonspecific abnormal finding of lung | | | | X coin lesion, solitary pulmonary nodule | X | | | Identify neoplasm if applicable |
| 784.0 | Headache | | | X | | X Post-traumatic; Allergies, medications | | | Description (cluster, tension, vascular) & duration & frequency |
| 789.00 | Abdominal pain, unspecified | X | | X | X - Upper/ lower quadrant Pelvic or perineal Epigastric Periumbilical | | | | Tenderness, generalized, severe w/abdominal rigidity |
| 786.05 | Shortness of breath | | | X | | | | | Dyspnea; Underlying conditions |
| 611.72 | Lump or mass in breast | X | | | | X | | | No longer distinguish breast mass v nodule |
| 959.01 | Head injury, unspecified | | X | | | | X | | Loss of consciousness |
| V76.11 | Screening Mammogram / high risk | | | | | X Family HX | | | |
| V58.81 | Fitting/adjust of vascular catheter | | | | | | | | |
| 611.89 | Other specified disorders of breast | X | | | | X | | | No longer distinguish breast mass v nodule; specify symptoms or disorder (e.g. infection, lactation) |
| 518.89 | Other diseases of the lung | | | X | | X | | | Chronic obstructive w/associated conditions; respiratory failure |
| 719.45 | Pain in joint, pelvic region & thigh | X | | | X | | | | Specific code assigned to each joint |
| 719.46 | Pain in joint, lower leg | X | | | X | | | | Specific code assigned to each joint |
| 786.2 | Cough | | | | | X | | | Tobacco use; w/hemorrhage; bronchial |
| 959.09 | Injury of face and neck | | X | | X | | X | | Head v. face; superficial v. open wounds |

Similarly, anesthesia coder training includes a focus on common diagnosis codes including those in this table.

| ICD-9 Diagnosis | ICD-9 Description | Documentation Issues | | | | | | |
|-----------------|--|----------------------|-----------------|---------------|--|-----------------|-------------------|---|
| | | Laterality | Episode of Care | Acute/Chronic | Anatomical Site Specificity | Patient History | Injury How / What | Pregnancy Trimester |
| 366.10 – 366.9 | Cataract/Nuclear Sclerosis/ Eye conditions (multiple) | X | | | | | | |
| 365.11 | Primary open-angle glaucoma | | | | | | | Identify left, right or bilateral eye |
| V76.51 | Special screening for malignant neoplasm | | | | | X | | Specify stage (mild, moderate, severe, indeterminate, unspecified) |
| 174.9 | Malignant neoplasm of breast, unspecified | X | | | X | | | Direct correlation to ICD10 – Z12.11 Hist: Confirm screening not personal hx. |
| 574.20 | Calculus of gallbladder w/o mention of cholecystitis, w/o mention of obstruction | | | | | | | Specify male/female, specific breast and quadrant when available |
| 659.71 | Abnormality in Fetal Heart Rate or rhythm delivered w/wo antepartum condition | | | | | | | Direct correlation to ICD10-K80.20 |
| 836.0 | Tear of medial cartilage or meniscus of knee, current | X | X | X | X | | | Direct correlation with ICD10 – O76 |
| 840.4 | Rotator cuff sprain | X | X | | | | | Need type of tear (bucket-handle, peripheral, complex, other, unspecified) |
| 354.0 | Carpal tunnel | X | | | | | | |
| 654.21 | Previous C/S delivery w/wo mention antepartum condition | | | | | | | Direct correlation with ICD10 – O34.21 |
| 727.03 | Trigger Finger (acquired) | X | | | X | | | Specify finger, right/left |
| 820.8 | Closed fracture of unspecified part of neck or femur | X | X | | X Specificity of fracture site needed | | | Need peritrochanteric / subtrochanteric fracture type |
| 726.10 | Rotator cuff syndrome NOS | X | | | X Bursitis vs tendinitis | | | Need unspecified /incomplete/complete tear or rupture |
| 550.90 | Inguinal hernia w/o obstruction or gangrene, unilateral or unspecified | X | | | X | | | Identify unilateral or bilateral for inguinal hernia |
| 722.10 | Displacement of lumbar intervertebral disc without myelopathy | | | | X Lumbar vs lumbosacral | | | |
| 715.96 | Osteoarthritis, unspecified whether generalized or local, lower leg | X | | | X | | | Identify primary/post-traumatic/secondary, bilateral/unilateral |
| 540.9 | Acute appendicitis NOS | | | X | | | | Mention peritonitis, abscess, etc . If applicable |