ICD-10 and Version 5010:
Industry Readiness Assessments

August 2011

Overview

- The Centers for Medicare & Medicaid Services (CMS) assesses the readiness of the health care industry for the Version 5010 and ICD-10 transitions on an ongoing basis.

- The following slides are an overview of the results from industry readiness in-depth interviews conducted by CMS and assessments fielded by several industry partner organizations.

Industry Readiness Assessments

Objectives

- Gauge health care industry's awareness of and preparedness for Version 5010 and ICD-10 transitions

- Provide direct input from target audiences to inform CMS outreach and education

Industry Readiness Assessments

Recent Assessments

1. In-depth interviews with primary audiences: vendors, payers, providers

2. Feedback assessment of industry partner organizations

In-depth Interviews

Interview Design

- Conducted Feb 1–Mar 1, 2011
- Telephone interviews (30 minutes)
- Separate questionnaires for vendor, payer, and provider audiences
- Sample size, n = 27 (9 vendors, 9 payers, 9 providers)
- All participants screened to ensure decision-makers interviewed
- Providers screened to focus on small practices (<10 physicians)

In-depth Interview Results

Key Findings

- Most participants confident they will meet deadlines

- Uncertainty remains about the compliance dates

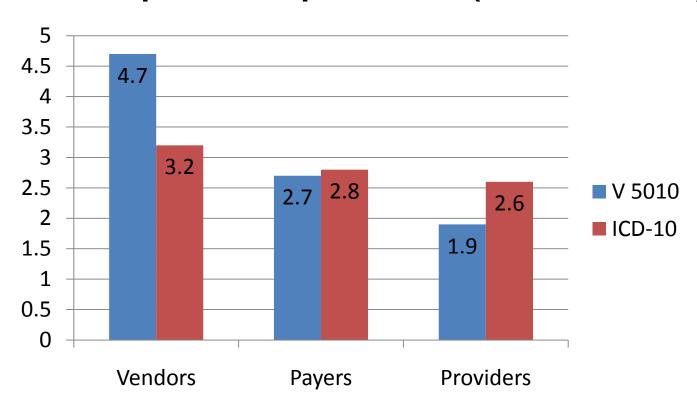- Participants understand consequences of not complying

In-depth Interview Results

Key Findings

- Most providers have begun preparing for ICD-10, but only one had secured an implementation budget

- About one-half of providers have talked with software vendor/developer about Version 5010, while the other half have not begun to prepare

- Overall self-reported preparedness levels:

  - Highest among vendors
  - Lowest among providers

In-depth Interview Results

Self-Reported Preparedness (Scale of 1 to 5)

A grouped bar chart comparing V 5010 and ICD-10 preparedness scores:

	V 5010	ICD-10
Vendors	4.7	3.2
Payers	2.7	2.8
Providers	1.9	2.6

In-depth Interview Results

Reported Concerns and Barriers

- **Vendors** – ability of payers and providers to transition on time

- **Payers** – providers' learning curve

- **Providers** – time and cost associated with learning the new codes

Partner Readiness Assessments

- Online assessment fielded by partner organizations, Jan – Mar 2011
- Five participating organizations:
  - America's Health Insurance Plans (AHIP)
  - American Academy of Professional Coders (AAPC)
  - American College of Physicians (ACP)
  - American Medical Association (AMA)
  - Healthcare Billing and Management Association (HBMA)

Partner Readiness Assessments

Questions addressed:

- General awareness of transition
- Knowledge of transition deadlines
- Steps organization has taken action to prepare
- Expectations about meeting deadlines
- Barriers to compliance
- Timing of specific action steps to prepare

Partner Readiness Assessments: Results

- Results corroborate IDI findings that vendors and payers are more aware and prepared than providers

- Lack of time/staff cited as top barrier for those organizations not expecting to meet transition deadlines

- Respondents had limited knowledge about when their organizations would take specific steps to prepare for the transitions

Partner Readiness Assessments: Results

Org Name	V 5010 Aware	V 5010 Action	V 5010 Ready	ICD-10 Aware	ICD-10 Action	ICD-10 Ready	Sample Size	Margin of Error
AHIP	100%	97%	97%	97%	97%	97%	n = 32	± 17%
HBMA	100%	91%	79%	100%	87%	85%	n = 85	± 10.6%
AAPC	71%	55%	56%	99%	65%	67%	n = 206	± 6.8%
ACP	55%	29%	52%	61%	35%	52%	n = 31	± 17.6%
AMA	60%	35%	25%	55%	43%	45%	n = 40	± 16%

KEY

- *Aware* = Knew of transition before taking survey
- *Action* = Organization has taken action to prepare
- *Ready* = Expects organization to be compliant by deadline

Partner Readiness Assessments: Results

Top Barriers*

- The most frequently cited barrier across partner organizations was a lack of staff and time to make the transitions

- Other frequently cited barriers were budget constraints and other competing transitions

- Competing transitions were more of a concern for Version 5010 than for ICD-10

- Lack of an impact analysis was a concern for ICD-10, more so than for Version 5010

*As cited by respondents who did not believe or were uncertain their organizations would be compliant by the transition deadlines.

Partner Readiness Assessments: Results

Barriers to Transition Ranked by Partner Organization Responses

	Version 5010						ICD-10				
	AHIP	AMA	ACP	AAPC	HBMA		AHIP	AMA	ACP	AAPC	HBMA
Time/staff lacking	1	1	1	1	6		1	1	1	1	2
Budget constraints	1	2	2	3	5		1	2	2	3	4
Other transitions	1	3	3	2	4		1	7	5	6	1
External testing	1	6	6	6	1		1	7	6	5	4
Vendor coord	--	3	5	7	1		--	3	8	8	4
Internal testing	1	3	7	4	3		1	4	6	2	2
No incentive	1	8	4	8	--		--	4	3	6	7
Impact analysis	--	7	7	5	--		1	4	3	3	7

CMS ICD-10
Official CMS Industry Resources for the ICD-10 Transition
www.cms.gov/ICD10