CAPITOL ASSOCIATES

Moderator: Bill Finerfrock
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Operator: Good day, ladies and gentlemen; welcome to today's “Rural Health Clinics Technical Assistance; Transitioning to ICD-10, What You Need to Know” conference call. Today's conference is being recorded.

For opening remarks and introductions, I'd like to turn the conference over to Bill Finerfrock. Mr. Finerfrock, please go ahead.

Bill Finerfrock: Thank you, operator. And I want to welcome everyone to today's teleconference. I am Bill Finerfrock and I am the Executive Director of the National Association of Rural Health Clinics. And I'll be the moderator for today's call. Our presenter today, is Denise Buenning. Denise is a Senior Advisor with the centers for Medicare and Medicaid services office of E-Health standards and services.

And she's going to be talking with us today and providing an overview of the ICD-10 standards as well as the software requirements that you'll need to meet in

order to handle ICD-10 coding. Denise is a Senior Advisor and HIPAA team leader at CMS and the office of E-Health standards. And she authored both the agency's proposed and final ICD-10 rules.

Her areas of responsibility include the ICD-10 program management office, HIPAA transaction and code set enforcement, and HIPAA administrative simplification. The format for today's call consists of a – about a 45-minute presentation, followed by 15 minutes of questions for Denise. This call series as you know is sponsored by the Health Resources and Services Administration's Federal Office of Rural Health Policy and is presented in conjunction with the National Association of Rural Health Clinics. The purpose of this series is to provide RHC staff with valuable technical assistance in RHC specific information.

Today's call is the 37th in the series which began in late 2004. And during that time, over 9000 individuals have participated in the bi-monthly RHC national teleconferences. As you all know, there is no charge to participate in this series. And we encourage you to refer others who might benefit from this to sign up to receive announcements regarding (call dates), topics and speaker presentation. You can get that information or how to sign up, by going to http://www.ruralhealth.hrsa.gov/rhc.

During the question and answer period, we ask that you provide your name and your location by state before asking your question. And in the future if you have

questions or topics you'd like to recommend, you can submit those to info@narhc.org and we will consider all recommendations.

At this point, I'd like to turn the control over to Denise. And we look forward to your remarks, Denise.

Denise Buenning: Good afternoon, Bill. Thank you so much. And thank you to the National Association of Rural Health Clinics for this opportunity to spend some time with you this afternoon talking about my favorite subject, and I'm sure it's yours as well, ICD-10 and version 50-10.

It's pouring rain here on Baltimore, it's very soggy. So it's a good afternoon just to kind of hunker down and spend some time talking about these two really important initiatives. And in particular, I'm glad to have this opportunity to talk to you because you are an integral part of rural health in America.

And this is a group that we're really trying to reach out to because we understand that you have some unique needs, some very special needs in terms of communication and in terms of being able to make this transition successfully. So again, really thank you for the opportunity and hope to have a good dialogue with you today.

On the second slide – we're going to just kind of set the stage for our discussion today and talk about some of the things we're going to talk about, and that's typically, what exactly is going to change with the version 50-10 and ICD-10? Why are we making these changes? What predicated our decision? Important dates – there a number of key dates both from a final compliance perspective and also from an interim deadline perspective that you really need to know and keep up with.

And some key details on both ICD-10 and version 10, and most importantly, resources that we have available to you that are going to be able to help you prepare for this transition. On slide number 3, what's changing? There are two things that are changing. And the first one is our medical diagnosis and in-patient procedure code sets. You know them mostly as ICD-9. And that's going to be changing to ICD-10. The second part of what's changing is what we call HIPAA standards for electronic health care transactions. Currently, 40-10, 40-10A and that's going to an upgraded version 50-10.

Now I'll be honest with you. When I've talked to, to providers especially about 50-10, their eyes kind of glaze over because they don't really know 50-10, they're not familiar with the terminology. We have some focus groups on this; oh I guess it was back at the end of last year. We were sitting here in the Baltimore facility, and kept talking about version 50-10, you can just see the providers going, "What are you talking about?"

So I kept sending notes in and said you know, "Ask them this question, ask them that question." I finally sent in some questions that said, "Do they ever do an eligibility inquiry?" And, "Oh yes, we check on eligibility and you know we get remittance advices." Those they knew – they knew the transactions but not necessarily the platform that they were operating off of because again, most of these are embedded in the terms of 50-10, in software that you use, either in practice management or other types of programs that you may be running.

So just to set the story straight is you know version 50-10 may not be all that familiar to the providers out there, but it soon will be. I always use the analogy of a car. I don't necessarily care what's under the hood, all I want to know is that when I turn the key, the car goes the way it should. So the same thing with 50-10, most folks don't realize they have it embedded, but it is. And it makes the engine run.

On slide number 4. Let's talk about the ICD-9 codes that we currently use and why we're changing them. If anybody spends some time reading both the proposed rule and the final rule changing from ICD-9 to ICD-10, the story is probably a little familiar to you. ICD-9 was developed back – probably now, 35 years ago. And it's really outdated.

It doesn't account for new technologies like laser surgery. It doesn't give you differentiation between the left side of the body and right side of the body. You end up having to do multiple codes to arrive at a single diagnosis, or a single procedure. Also gives us very limited data about medical conditions and in-patient procedures that are taking place.

From a practical standpoint, we're really out of space. As I think most of you know these codes go in chapters. There's a cardiology chapter, neurology chapter whatever. And it's to the point now where the Coordination of Maintenance committee which oversees updates to the code set standards is having to (jerry-rig) this thing. It's really a band-aid approach. They're sticking (eye) codes in cardiology and vice versa just to have a place to put them. And imagine being a coder trying to find a code that you're looking for and you know having to just – just to know that oh, that (eye) code is actually in the cardiology chapter.

So, it doesn't make for a good health care administration, it doesn't make for improved work flows and it kind of bogs things down. So given all of that, and given the fact that all the other countries in the civilized world, as I call it, are already transitioned to ICD-10, it just makes a lot of sense. I remember when the H1N1 pandemic kind of broke out last year, I remember thinking, boy if we had had ICD-10 in place, we'd be able to really compare our data across different

countries. And at this point in time, we're not yet able to do that. But the ICD-10 is going to rectify that.

On our next slide, slide number 5, who is subject to all of this change? And basically, it's anybody covered by HIPAA. And of course, you all know HIPAA is the Health Insurance Portability and Affordability Act – (Accountability) Act, excuse me, of 1996. Everybody who is – functions as either health provider, payer, clearing house, third party billing service, anybody who comes under HIPAA.

And not just those providers who file under Medicare and Medicaid claims have to switch over to ICD-10 because it is the HIPAA standard. And this really runs the gamut. It goes from large, national health plans, regional health plans, small provider offices, laboratories, health clinics, hospitals, there are very few entities at this point that aren't HIPAA covered, there are a couple though that was included in the regulation. And two that stand out are workers compensation programs and life insurance companies. Those entities currently are not covered under HIPAA.

But when you take a look at the entire healthcare industry and the spectrum of health care services, even those non covered entities that aren't technically mandated to change over you know really need to take a look to see whether they should change over because anything that's submitted with an older code as

of October 1 of 2013, is probably going to be put to the back of the pile when it comes to payment.

And it's going to take longer to handle those claims. So I think it's – going forward as we see what the trend is, in terms of administrative simplification, and achieving efficiencies in reducing administrative cost, anything we can do to help that along in the process, I think is really where we're trending to.

Okay. On slide number 6, we talk about important dates to know. One of the things that we always talk about is – are two primary dates, the first one is January 1 of 2012, and that is when all entities – any HIPAA covered entities must be compliant with version 50-10. So that means if you're submitting electronic claims as of the date, you're going to have to use the version 50-10 transaction standards. October 1 of 2013 is when ICD-10 comes into play. And the reason that version 50-10 comes before ICD-10 is because version 50-10 accommodates the ICD-10 codes, whereas the current version 40-10 does not.

So you have to have 50-10 in place first, it has to be tested in order to, again, a year and a half year later or so, implement ICD-10. There's an interim deadline there that's really important. And that is, actually coming up here rather quickly. January 1 of 2011 is when providers and payers, anybody who works with electronic claims should be testing with their partners. Testing externally, outside

of their own organizations to make sure that the transactions are going through and that they're getting the correct responses.

Two-thousand-ten has really been an internal testing year for version 50-10. Everybody has been you know again, making their software changes, loading them into the systems and testing internally to see that it works properly. The end of this year, and then the beginning of next year, is pretty much a testing phase externally. And in fact, Medicare fee for service is going to be ready to test externally beginning in January. So that will be a significant milestone for them.

So the other important thing you need to know about these dates, is that they're (firm). We don't use the 'C' word, contingency; we have been given absolutely no reason to believe that this is going to be delayed because a lot of ICD-10 and 50-10 is foundational for other things. Like electronic health records, meaningful use and all the other programs that are coming down, down our way in the next couple of years.

So we did – the administration did have an opportunity when it first came on board to review this regulation and to look at the dates. And they've given us the go ahead to proceed with it. So that's the platform that we're working towards.

I can tell you that CMS implementation internally is progressing at a good clip. You know as a covered entity ourselves, our Medicare and our Medicaid programs have to be HIPAA compliant as well. And given that, we have a dual responsibility, not only to get our own house in order and make sure that we're ready to process claims, but also our contractors, our state Medicaid programs. And we have to help the rest of the industry as well. So we wear many hats here. And it's been a terrific experience for us to work with the industry and work with providers and payers and clearing houses to really take this forward and to make it work.

On slide number 7, we talk a little bit about preparation. As I said, the compliance deadlines are mandatory. And I think there may be some confusion out there among providers. I remember we did some groups – some focus groups with providers and they told us, "We're just going to continue to use the 9 codes, it'll be ok." And (we) said, "No, it's not an either or, you have to change over to the 10 codes because if you continue to use the 9 codes you're not going to get your claims paid." And some of them were surprised to hear that.

So it's not a choice, it is a mandate. With the – you know. And ICD-9 codes, this is a little bit different. You know every year, the coordination and maintenance committee, upgrades the codes. So there are some changes. It's kind of like a – you know you get a manual in every year or so, there are couple of pages that change out, and you take out the old pages and put in the new one.

And you know that's what we pretty much have gone on. ICD-10 is a completely different story because there are structural differences in ICD-10. And it's not just a matter of expanding a feel to accommodate another digit or an alphanumeric system. It really is a very vast departure from what we're used before.

And we've also gotten the question in our regulatory comment process, many people said, "Well, why don't you just not even go use ICD-10, just wait until ICD-11?" Well number 1, that's a number of years off and it hasn't even really been in to development yet for use of the United States. And number 2, you can't make that leap from 9 to 11. The platform is just too different. And you really have to go through the intermediate step of 10 in order to even get to 11, so all of the experts, all of the folks that we talked to really advice us not to try and skip 10 and to go to (CMS).

Obviously, we took their advice. If you don't, again, if you're not ready, you're going to face rejected claims and delays in reimbursements. So it's not something that you could just turn the switch on. And that's why I know – you know here we are in still September of 2010, and it seems like these dates are a long way off. Well, they're really not. And it's not the kind of project that you can look at 6 months ahead of time and all of a sudden, really take the initiative on. This takes years of planning.

And I can tell you, I've been on this plan since I guess the summer of 2007. So it definitely takes thought, it takes planning; it takes a lot of effort to do this. And we hope that by sharing information among ourselves, among our colleagues and industry that they can learn from what we've done and apply it to their own situations.

Okay. On slide number 8, just a little bit more technical information on ICD-10. There are two parts to the code set, and one is the diagnosis codes of the ICD-10 CM, clinical modification. And that's used pretty much in all health care settings. ICD-10 (PCF) is used only for in-patient procedure coding in hospital settings. So (CPTs) that are being used for out-patient procedures are not affected by this transition, they're still in place.

On slide number 9, obviously, ICD-10 CM replaces 9 for diagnosis coding. In 9, we had approximately three to five digits, in ICD-10; we're going from – to up to almost seven digits. And again, a change in the formatting is going to be really significant here.

One slide number ten, we talk about the procedure codes. Again, ICD-10 (PCS) replaces ICD-9 CM, I believe it's volume 3 for procedure codes. We're going from three to four digits to seven alphanumeric; very, very different from the 9 codes. And ICD-10 expands details for many, many conditions. We go from

approximately, I believe it's 15,000 total codes to 155,000 codes. Now that seems like a tremendous leap. And in a way it is, but basically, what has happened is that each one of the ICD-10 codes is so specific and it really reflects in a sense almost, numerous ICD-9 codes.

So you do have (cross-walks) in between and we'll explain that in a second. But it provides so much more specific data. It really reflects current medical practices that's got room to expand. And the information is going to be so much more robust. I was really amazed to know that under ICD-9 for example, in order to differentiate between a right arm break and a left arm break, you had to go through a number of different (iterations) and I just thought that was fascinating because you would think it would be pretty simple.

The other thing I want to talk about, when we expand the code sets from 15,000 to 155,000 – and I always use the phonebook analogy on this. I've heard from providers, "Oh my gosh, I can't deal with 155,000 codes." Well, number 1, you won't have to because you know part of those are procedure codes that are only used in hospital in-patient settings, but also, it's like – it's like a phonebook. Every number is in there. That doesn't mean you're going to use every number in the book. But there may be some numbers that are – you frequently use that you would pick out. Or if you happen to use – to need a number, it's there.

So it's not like you're using every code. You're just using it as a reference and when you need it, if you have frequently used codes, pull those out, and put them on a super bill, or put them in your system upfront. And the other ones are there for you to use as you need them. So you don't have to deal with a massive amount of codes. Now, there are some exceptions to that.

We know that because of the very nature of their practices, family physicians, internists, probably emergency medical personnel are going to be using more of the code sets because they see a wider variety in their case loads. So, we're really trying to reach out to family practitioners, internists, anybody who has a real need to have a vaster knowledge of the codes and get them on board early in autumn.

So again, going on to slide number 12, a little bit of an explanation of version 50-10 again, it refers to the new HIPAA standards for electronic healthcare transactions. And those transactions include functions like claim, eligibility increase, remittance advices. Again, people are most familiar with the transactions not necessarily the platform that gets them there. We currently use 40-10 and 40-10 had been around, again, a while. It has some band aids slapped on it. There were some initial problems with it and the industry came to the X12 standards development organization and asked for some changes and it's pretty much been in place for quite some time.

We are hearing that the transition from 40-10 to 50-10 is maybe less problematic than the transition to ICD-10. Number 1, we've had some experience with 40-10. So, this is kind of an upgrade to the system. However, we've never adopted a new medical code set and that's a whole new game for us, so we don't have anything to really base an experience on.

And, of course, the most important thing about version 50-10 is that it accommodates the ICD-10 codes sets. And from what I understand, it's not just a matter of having a larger field but there actually is an indicator within these 50-10 standards themselves that tell you that you're using an ICD-10 code. And that's really key because if the system doesn't recognize the code then the transaction won't be able to support it.

So, on slide number 13, talking about implementation time lines, as I said, we started working on this many years ago because for an organization as larger as CMS and for a program as large as Medicare and Medicaid, we realized that it wasn't, again, going to be just a matter of flipping a switch.

So, the implementation time line for 50-10 allows for a year of external testing. (Again, as I) said before, CMS is on time. They are going to be starting to accept testing claims for 50-10 on January 1 of 2011. And the – continue to accept version 40-10 at the same time. So, they'll be a kind of dual channeling there. And they're just doing that to make sure that everybody's on board with 50-10

before ICD-10 implementation really kicks into gear probably towards the end of next year early 2012. So again, you remember your dates on number 14, January 2011 fee-for-service Medicare starts testing, January 1st of 2012 full implementation of version 50-10 and October 1st 2013 full implementation of ICD-10.

And the other thing I' like to say about the October date especially is that there is no (phase in), there is no differentiation between compliance dates whether you're a small health plan or a big health plan as we had in some of the previous HIPAA compliance standards, that doesn't exist here. And the reason for that October 1 date is because that's the beginning of the fiscal year and that's when all the systems change over here. So, people kind of ask why (is it) put into January and that's the reason why because it's the beginning of the fiscal year.

So on slide number 15, how do you prepare? We took kind of a step-by-step approach to this here at CMS and the first thing we did was we went all throughout our agency, and we queried everybody and said, "Where do you use ICD-9 code?" with the assumption that is you're using ICD-9 codes at a certain area, you're most likely going to be using ICD-10.

And we had an association, – the contract, the American Health Informatics Management Association do that for us. It took a while because we're a very large organization. But you can also do the same thing within smaller

organizations as well. Send out a memo, assign someone to go through and ask people questions about their systems, ask about policy you know manuals, forms, et cetera. And kind of go through each one of your business processes and see where these codes pull up. Talk with your vendors about their plans for version 50-10 and ICD-10.

When we did focus groups, again a while back, we had a group of medial office managers in and we said, "Well, who are you going to go to for information on this, who are you going to call?" And they all came back and they said, "Bob." And we kind of looked each other and said, "Who's Bob?" And they said, "Oh, Bob's our software guy." And like three out of the four people in the room said, "Oh yes, we all use Bob. He's great; he gets – has (our) practice management software. And he'll just call us and tell us when he's going to come and install this."

And we were just kind of shell-shocked because it was like, it can't possibly be that simple. But we actually did track Bob down, identified him and asked him to come at a vendor conference and he took us kind of through the paces of how he dealt with his customers and how he was planning to implement this.

So, that's probably your first best line of defense is to talk whoever is installing or maintaining your practice management software or other software that might contain these codes or performs these transactions. Talk or if – and if you're not

doing it, talk to your clearing houses, talk to your billing services, discuss your plans, say you know "I'm getting ready to change my systems over on X date," or "I'm getting ready to test at this particular point in time. Are you going to do the same thing?"

Talk with your payers; talk with the plans about how ICD-10 implementation might affect your contracts. There are some contracts that have this built in. There are some contracts that from the program management perspective or practice management perspective, offer immediate updates. So, it's really important that you start talking to everyone who's involved in your systems, in your policies, in your processes and get them all in the same page.

You also need to take a look at training on number 16. One of the key issues that was identified for us in both the proposed rule and subsequently in our final rule was staff training's (meet). A lot of people code but they're not officially coders. A lot of people didn't identify themselves as coders but they do code. So, it could be you know an office manager. It could be the provider him or herself. It could be a nurse. It could be a technician. It could be a business office person.

So, you really have to find out who is doing the coding for your organization. And it's really important to budget in time and budget in expenses that are going to be required. And what I've often told folks if you can do a train the trainer if you can

send me the one personnel from an organization and can come back and train others or if you can collaborate. If you have any kind of consortium arrangement or can share resources, that would be the best way to do it.

And we also – to discuss the fact that the experts in this area and with that I mean, AHIMA and the American Academy Professional Coders strongly advice that you don't do training until you're 6 months out of the compliance date. And the reason for that is because it's the old axiom, "If you don't use it, you're going to lose it." And if you don't – if you get training on these codes and then you don't use them, you back to using ICD-9 codes until it's time to code to ten; you're going to forget it.

So, we're really strongly urging people to take advantage and there are so many different training opportunities out there, online, in-person, webinar. It's – really, I'm pleasantly surprised that the plethora of different training opportunities is available out there. You don't necessarily have to attend in person a 5-day seminar. But it's really important that you keep that in mind that you will have some work flow issues with personnel out of the office in getting this training and again, trying to keep up to date on resources of information.

And speaking of resources, on slide number 17, there are a lot of resources out there to help you prepare. The CMS Web site is http://www.cms.gov/ICD10, no hyphen there. And this really – we revamped it and when I say revamped it,

we've done it within the confines of our federal Web page architecture. So, (probably) it's not as flashy and it's pretty as we'd like it to be. But I think it's very useful because it segments out information for providers, for payers, for Medicare fee-for-service, for vendors. It gives information on the national calls that we have that people can dial into for free, and sit and listen to questions and answers on various aspects of 50-10 and ICD-10 implementation.

And I think also you know we have a number of publications, we have fact sheets. And I think you'll see some of those on slide number 18. Just again, quick pieces that you can reproduce, you can distribute to the medical staff meeting or you know stuff in an envelope or hand out to the professionals get together or whatever. And they really are just – I don't want to say down and dirty but they're simple, they're quick and they refer you on to where to get more information.

The other thing that we have is a Listserv sign up and you can actually see a screen shot of this on slide number 19. And what you can do is sign up to be in our ICD-10 Listserv. And what it will do is every time there's a change or an update to our Web site; it will send you an automatic notice saying something is changed. You might want to take a look at it.

We also ((inaudible)) pushing out Listserv messages on a weekly basis just – and I think if you went through the National Provider Identifier campaign, NPI,

you saw them coming out with messages every other week that said you know "NPI is coming. Are you ready? Have you checked this out? Are you aware of the compliance stage?" et cetera. And we're doing the same with ICD-10.

And the great thing is that we have expanded this. We've gone some – I think, we started this at the end of June and we've gone from around 583 opt-ins to – I think, the last – the last number I got early this week was over 9000. So, we have over 9000 people who are getting these messages and we're starting to see the numbers climb.

So there's lots of materials there, there are lots of basics you know just introduction types of materials that you can share. Talking to your vendors about ICD-10, what questions you should be asking, basics for medical practices. And we also have links to professional, clinical and trade associations because they've realized that we're not the only game in town.

We would certainly like to provide as much as we possibly can but we also understand that there are associations like the National Rural Health Clinic Association that have information out there that you might want to take advantage of. So, we try and link too many of our partners as we can and we also try to make sure that their ICD-10 information is front and center because we don't want people to have to dig for information. So, there's a lot of information out there.

And we do have some other things that we're going to be doing. In fact, I think, starting tomorrow we're going to be running a series of ads in National Trade and Professional Publications as well as on some banner – not banner ads but on some URLs that are healthcare related. And these are going to be basically provider oriented things. You know the change is coming, are you aware of it? Here is where you need to go for more information and again, driving everybody to that ICD-10 Web site.

The other place that these are going to appear are in a lot of regional and state medical association, journals and publications because we're trying again to dig down to a more rural, frontier area level. Having come from the Kansas City regional office of CMS, I absolutely understand the need to not only address the (John Hopkins') systems of the world but also the two provider facility out in Beloit, Kansas.

You know they need information too and a lot of times their challenged by budget, by location, by access to technology and the Internet. So, we can't forget that even though we're talking about high-tech changes, we also have to make sure that we're reaching out appropriately at all levels so that people get information when they need it.

So, those are some of the things that we're working on. That's just again a very high level overview of what we're looking at. I would welcome any questions that you have. I'll try to answer them. If I don't have answers, I will try and get you answers. I'm lucky enough to have a terrific staff and great resources here. And again Bill, thank you so much for the opportunity and we can open up the mic.

Bill Finerfrock: Great. Thanks Denise. I appreciate it. Operator, do you want to give the instructions for asking a question and I have a couple I'll ask while we're waiting for folks to line up in the queue.

Operator: Thank you very much and the question and answer session will be conducted electronically. To ask a question, please press star 1 on your telephone keypad at this time. A voice prompt on your phone line will indicate when your line is open to ask a question. We also ask that you please state your name and the state you're calling from before posting your question. Once again, press star 1 to ask a question. And we will pause for a moment to assemble the queue.

Bill Finerfrock: And while we're waiting, Denise, you made a made reference to the fact that Medicare will be ready to test on January 1 and we've heard a lot of encouraging reports about that but not so much with regard to Medicaid. There's a lot of concern about Medicaid programs not being as up to speed as Medicare.

What is your sense of where the Medicaid programs are with regards to ICD-10 and 50-10?

Denise Buenning: Bill, thank you for bringing that up because that's obviously of critical importance. As I mentioned before, we do have responsibility for making sure that our Medicaid state programs are also in compliance with both of these standards. And we recognized early on that we were going to have to be proactive and go out there and ask some tough questions.

And we did just that, I guess, it was back in the spring of this year. We did an environmental scan as we call it of all the state Medicaid agencies with 188 questions and I'm not going to sugarcoat it, it doesn't look good for the simple reason that we all know states are under the gun when it comes to budget and resources and you know all sorts of challenges out there for them. So, we're being very proactive. We're working very closely with the Medicaid side of the house. I know that they had MMIS meeting out in Portland, I guess, it was last month and it's a topic of discussion as well.

What we're doing is, I believe starting next week the Medicaid SMEs, Subject Matter Experts, are going to be conducting calls with each one of the state Medicaid agencies asking them for what are their challenges? What are their barriers to compliance? Where do they think they're going to be at a certain point? And then after that, they're going to do an analysis and go out to each

one of the states, do a site visit and see what resources we can offer them to help them get compliant.

You know it might be you know and again I'm not speculating here but – for example, if we have some states that still in compliant with 40-10, what can we do to get them compliant? Do they need to get the services of the clearing house? Do we need to group them together? In (like) groups and make sure that they get resources targeted towards them.

This has gotten attention at the highest levels of the agency and the Medicaid side of the house is very much aware of this and they have a plan in place to at least get a certain level of compliance among the states because again they realize that if Medicaid isn't ready then there's going to be a problem so definitely getting time, attention and resources from CMS.

Bill Finerfrock: Now, the Office of E-Health Standards is somewhat unique. I think often folks see that your house within CMS and say, "Okay. Well you know they're responsible for Medicare and perhaps Medicaid, but who do I go to when I have an issue with regard to a commercial insurer or private insurer?" The Office of E-Health Standards has a jurisdictional responsibility here that extends beyond the government programs. Could you talk a little bit about that?

Denise Buenning: Sure. We wear two sides of the hat here. We are responsible for implementation of ICD-10 and version 50-10 you know with our own Medicare and Medicaid programs but we also are responsible for making sure the rest of the industry is ready as well. So, we have two tracks. We have an internal communications track to our Medicare Fee-for-Service community and our plans and then we also have a track again going out to external industry groups like this one.

From an enforcement perspective, we have – again, I wear this hat in particular, I am in charge of HIPAA enforcements. And when I say HIPAA enforcement you know we talk about – there are number of different facets to HIPAA, one is privacy and security, and the other one is the transaction and code sets.

We – when I say we, OEHS used to have responsibility for security and that was transitioned last year to the Office for Civil Rights. So the Office for Civil Rights handles complaints on privacy and security. We handle complaints about HIPAA transactions and code set violations.

So, if we have a provider who is trying to transmit – who's trying to conduct a transaction using a standard with a plan and for some reason the plan is not responding appropriately or is not using the standard, we have an intake – a complaint intake procedure. It involves what we call the (asset) system that can actually go online, give us their information and then we will have a subject

matter expert, number 1, determine that it's a valid compliant and number 2, if it is, then we will pursue getting it straightened out.

A lot of times we work very proactively with the file against – filed against entity as well as the complainant to bring in together not with a mind towards punitive damages so to speak or trying to be heavy handed but just to say you know the bottom line is let's get compliant on this. So we really work to help them achieve compliance.

We put them on what they call a (CAP). Basically it's a long term, and I say long term you know like a 6-month plan to get them compliant with what they're supposed to be doing. Now, obviously if that doesn't work for some reason or we find there's no good faith effort on this – on the part of a filed against entity to get compliant then we do have under the law some damages so to speak that we can – the penalties that we can apply to them and I believe it's a maximum of $25,000 a year.

Now, according to the Affordable Care Act, some of those charges will go up in the future years for being noncompliant but for right now that's the maximum that we can impose. And most often, we are very successful at being able to so called arbitrate between the two parties. We've had a number of instances where even some of the complaints and some of the situations baffled us but we do our very best to try and get them …

Bill Finerfrock: Hello?

Operator: Ms. Buenning, if you can hear us, we're unable to hear you, please check the mute function.

Denise Buenning: Hello?

Bill Finerfrock: Hello.

Denise Buenning: I'm sorry. We just lost power here for a second.

Bill Finerfrock: Okay.

Denise Buenning: Okay. I'm sorry. Anyhow, as I was saying, we try very hard to work with the covered entities and come to resolution. We're trying to streamline our processes, trying to cut down the amount of time that we're having between a response and submission of a plan and resolution, that sort of things. So, we're stepping in line with, I think, the overall goal of the administration to get it done quickly, get it done right and get it done expeditiously.

Bill Finerfrock: Great. Operator, why don't we go ahead and start taking some calls. Do we have some calls in the queue?

Operator: Certainly. Caller, please go ahead. Please announce your name and the state.

Bill Finerfrock: Go ahead caller.

Operator: And questioner can you hear us? We're unable to hear you. Please check your mute function. All right. Hearing nothing, we will go to our next question. Please announce your name and state before posting your question.

(Sherry): Hi. My name is (Sherry). I'm calling from North Dakota. One of the questions that I had with regarding the non-HIPAA covered entities. You were talking like about workforce safety?

Denise Buenning: Yes.

(Sherry): Does that mean that they're not going to be upgrading to the 50-10 or ICD-10 and that we have to – I don't know, that just confuses me. Are they – they're just not HIPAA covered? That just kind of, I guess, surprised me. And well, how does that affect us?

Denise Buenning: Okay. That's a very good question and no. They are technically – they were excluded from the original HIPAA legislation so life insurers and workers' compensation programs do not have to use the HIPAA standards.

We heard varying reports about what their plans are; we've heard some information that says we're just going to continue to use nine codes and we're just going to have to deal with it you know your end. You're going to have to cross-walk or we've heard others say you know maybe it's time to make a change to 10 since the rest of the industry is doing this.

And we're still trying to assess that out in the field whether – which circumstance is correct and if it's a hybrid of one or whatever. So we hope to have more information on that in the next few months as we go forward.

You know it becomes really problematic for example you know any – oh gosh, any provider dealing with a big workers' compensation, caseload or emergency room so you know obviously some of these things are covered through automobile insurers. So there are some problematic aspects to being not covered under HIPAA versus covered but we hope to push some more information out there as we hear it.

(Sherry): Okay, thank you.

Bill Finerfrock: Thanks, caller. Next up?

Operator: And ladies and gentlemen as a reminder if you wish to ask a question please press star 1 on your telephone keypad. At this time we'll take the next question.

Bill Finerfrock: Okay. Go ahead, caller.

Operator: Caller, if you can hear us we're unable to hear you please announce your name and state from which you are calling?

Bill Finerfrock: We're having some technical difficulties today. May we go to the next one?

Operator: Okay, next caller please go ahead?

(Mary Wilson): I have a question regarding the ICD-10 training.

Bill Finerfrock: Can you – can you give us your name and where you're calling from?

(Mary Wilson): I'm (Mary Wilson) from (Garner) County Home Services in Nebraska.

Bill Finerfrock: Great, go ahead (Mary).

(Mary Wilson): I have called several of our colleges and they do not have any ICD-10 courses available nor do they know when they are going to implement any?

Denise Buenning: Interesting, I'm sorry, go ahead (Mary).

(Mary Wilson): I guess I was wondering if AHIMA or super trainers were going to be the only way for us to get educated for that?

Denise Buenning: It's interesting that you mentioned that because I know obviously AHIMA and AAPC are doing an intensive training in ICD-10. I was surprised that one of my colleagues has forwarded the information today about a company that's offering ICD-9 of the updated diversion for 2011 but absolutely no mention of ICD-10.

And that's maybe because of two things; number 1, it may just be too soon. As I mentioned before; the recommendation on this has been to wait until around 6 months out. I would imagine that as you get closer to the end of next year you're going to see a lot more training opportunities come up. I would say if for some reason you want to get training now I would probably contact AHIMA or AAPC and see what they have available. And again that's not in the endorsement of those two particular organizations, I just happen to know that they do offer training programs.

(Mary Wilson): Okay, thank you.

Denise Buenning: You're welcome.

Operator: And we will take the next questioner. Caller, please go ahead.

Bill Finerfrock: Go ahead, caller.

(Shelley): This is (Shelley) from Wisconsin.

Bill Finerfrock: Go ahead, (Shelley).

Denise Buenning: Hi.

(Shelley): Hi, I have a question with the data the ICD-9 or ICD-10 is implemented and we can use. Is there going to be a carryover for ICD-9?

Denise Buenning: Yes. This is something that we actually have a workgroup looking at, what happens for example if you are asking – you call up on September the 28th asking for a pre-authorization for a surgery that's taking place after the first of October of 2013.

And from what we are gathering right now that's going to be dealt with on a plan by plan basis. I don't know that there's been any industry-wide consensus of as to how that's going to be handled. You know I would – you know they were one of two things that can do a kind of a limbo period where they might hold off on doing any kind of transactions or claim adjudication for a couple of days to kind of give it a breather. And then start processing what they've got afterwards they'd submit it you know with 10 codes or they may cross-walk it or they may just reject it and you'd have to re-file under 10.

So it depends on what's the plan is deciding to do. And as I said we haven't heard any industry wide consensus on this yet but we're working really closely with AHIP, America's Health Insurance Plans in trying to see you know what their take on this might be. So I'd say probably at this point stay tuned.

Bill Finerfrock: Denise, a little bit along those lines and also for the previous caller in terms of the non-covered entities, can you talk a little bit about the whole issue of cross-walks and GEMs and what CMS is doing in that area?

Denise Buenning: Sure a couple of things. We've developed what we call a cross-walk and that basically is taking ICD-9 code and translating to an ICD-10 code or vice versa, taking a 10 code and translating or mapping it back to a 9 code.

The difficulty in that is it's not always a one to one correlation. You might have one ICD-9 code that translates into 50 different ICD-10 codes. So there has to be some decisions made as to which codes you're going to submit and which codes are going to be used the most frequently. And I know that there are some discussions out there that there may be some plans that are developing proprietary cross-walks.

Well if you go back to the Affordable Care Act that passed through earlier this year it has in their provision. And it says that the cross-walk that is posted to the CMS Web site shall be, and I put this in quotes, "treated as a part of the code set."

So what that basically says is if you're a covered entity under HIPAA and you have to transition from ICD-9 to ICD-10 and you're using a cross-walk as a tool to help you make that transition you should use the cross-walks that's posted to the CMS Web site. What they did in this act also was to mandate a public meeting be held by January of 2011 that – provided a public forum for people to give them comments on the cross-walks.

Well we actually had that meeting back here I believe it was September the 15th, it just so happened that the Coordination Maintenance Committee which was the entity that was named in the law as having jurisdiction over this, they just so

happened to be having their phone meetings and they devoted a half a day to this subject.

So we had people get up there and testify. They felt that there were some codes that were missing, some codes that you know the cut-out type of graphical types of issues. So the committee is taking all of this into consideration.

And in fact if you have questions about the codes or want to make any recommendations about changes to the codes you can submit them I think as of November the 12th is the cut-off, and the committee will take a look at all the recommendations and make the appropriate changes and then post that code sets to the CMS Web site free of charge. You can download it. And so that would be the one that you would use.

You know the cross-walks are where they double the GEMs General Equivalency Mappings. You kind of hear those terms used interchangeably. They're not designed to be a permanent fix. In other words don't use this – you know you should be working towards changing your systems over, changing over your manuals et cetera, et cetera, doing a full-blown transition as opposed to just using a cross-walk for temporarily dealing with nine codes that come in because obviously on a system-wide basis you wouldn't be able to sustain any kind of volume if it hits you.

So there are tools to use they're not a total cure but they're out there for everybody to use.

Bill Finerfrock: Operator, we'll take another call.

Operator: At this time we have no further questions in the queue.

Bill Finerfrock: Okay well how do – if people wanted to get the GEMs or learn more about it or also back to the earlier question with regard to that they find that they're having a problem with the health plan being non-responsive and they want to think about a complaint, where would you – where do we direct folks to go on either of those on the GEMs or a complaint issue regarding something on the HIPAA compliance?

Denise Buenning: Okay. For the GEMs they can go to the ICD-10 Web site which is– http://www.cms.gov/ICD10/ and hold on, I'm just going to – I'm actually pulling up the Web site right now. And there are, again, you can go to the site of that and they'll have a guide there for you that's actually I've pulled down the code set and the GEM in here, http://www.cms.gov/icd10.

And on the site of it, it has ICD-10 coordination and maintenance committee. It has GEMs; it has the 2011 – 2010 ICD-10 PCS and GEMs, 2011 ICD-10 CM and GEMs. You can actually download it right from the ICD-10 Web site.

Bill Finerfrock: Okay, great.

Denise Buenning: That's our first – first (line of defense) so to speak.

Bill Finerfrock: Okay. And what if they are encountering – or encountering with a plan and feel that the plan is not compliant or processing a compliant, or at least a submitted claim, where can they go or what should they do there?

Denise Buenning: Okay, you should be able to go to the hhs.gov – actually you know to the cms.gov Web site. And I'm just trying to give the exact URL.

Bill Finerfrock: Well I'll tell you what if you to send it …

Denise Buenning: I can send it to you and then you can disseminate it.

Bill Finerfrock: You can disseminate it out to the Listserve so that folks will have that.

Denise Buenning: You know I have to admit I'm so used to just going into my internal system that sometimes I forget that there's a public out there that has to access it also. It's kind of like you know not remembering your own phone number because you don't dial it.

Bill Finerfrock: Yes. I have the same problem. If there are no other questions from the line then I think we're just up on about an hour. So we can go ahead. And, operator, if we have no more questions …

Operator: Let's see, we do have a few more questions that have just queued up.

Bill Finerfrock: Okay. Denise, do you have a couple more minutes?

Denise Buenning: Yes. I'm supposed to go to another meeting. But I'd like to obviously answer as many questions as I can.

Bill Finerfrock: Okay. We'll try to get in one or two more here. We'll see how long they are – go ahead, Operator.

Operator: Okay, caller, please go ahead.

(Gail): Yes, this is (Gail) in Missouri. We have a question regarding revenue codes. With the new ICD-10 will there be rev codes? Will they be updated? What will happen?

Denise Buenning: I wish I could answer that question for you, (Gail), but I don't know about that. But let me post that to my coding people and if there's a way that I can get your e-mail address I can get a response to you.

(Gail): Okay.

Bill Finerfrock: Yes, we're not anticipating a need to change revenue codes but, yes, if you want – Denise, do you want to check that out and then get it to us …

Denise: Why don't I – can I get, well, I was going to say how would I get to (Gail)?

Bill Finerfrock: (Gail), if you want to – well, we can either – you can either get it, (Gail) – are you on the Listserv?

(Gail): Yes.

Bill Finerfrock: Okay. Well, if – Denise, if you want to get to us we'll just post it up on the Listserv, that way (Gail) doesn't have to give her e-mail address to everybody who is on the phone lines.

Denise Buenning: Okay, that's great.

(Gail): Thank you.

Bill Finerfrock: Okay. We'll take another question.

Operator: And caller, please go ahead.

(Judy): Yes. This is (Judy) from North Carolina. If you purchase the ICD-10 book would that be a good tool to help you?

Denise Buenning: I'm sorry I didn't hear the first part of your question?

(Judy): If you purchase the ICD-10 (Macken) book would that be a good tool to help you?

Denise Buenning: Yes, absolutely. You know it will give you some basics – again, it's a tool that you would use if you're manually coding or you know just doing a very kind of – I don't want to say low-level coding but you know obviously if you're doing something much larger then you would need to pretty much do a systems change all over and become more – do a more prolific change over.

(Judy): Okay. Thank you.

Bill Finerfrock: Anyone else, operator?

Operator: Yes, caller, please call ahead. Go ahead, caller.

Female: I want to sign out for the ICD-10 Listserv, which Web site do you go to just sign up for that? Is it on page 17 or 19?

Denise Buenning: On your slides it's going to be slide number – slide number 19. If you go to the Web site which again is http:www.cms.gov/icd10 and on your left hand side – of course now it's not pulling up, it's going to say Listserv sign-up. I think the rain has (water logged) our system here. There it goes.

If you go over on your left hand side the first ones says latest news and you scroll down to the bottom and it will say, "Latest page news watch" or "Latest news page watch" and then you can sign up there. So all of the links – because of the way our system is set up we can't imbed links into text. But if you go to the bottom of the pages that's where all of your links are to get to where you need to go.

Female: All right, thank you.

Bill Finerfrock: Caller, where are you calling from?

Female: Wisconsin.

Bill Finerfrock: Okay, great, thank you. If there's anyone else? Otherwise we can end it here.

Operator: We do have one more question.

Bill Finerfrock: Okay and then that's it. And then we'll take this one last question.

Denise Buenning: Okay, great.

Operator: Caller, please go ahead.

Female: I have the same previous question with the Listserve, thank you.

Denise Buenning: Okay.

Bill Finerfrock: Thank you. So again, I want to thank Denise Buenning CMS Office of eHealth Standards for taking some time today to talk with you. And I also want to thank all of our participants and the questions that were raised.

As I mentioned earlier a call transcript from today's presentation along with a recording will be made available on the Office of Rural Health Policies' Web site. We'll send out an announcement when that is available. I want to encourage you to get others to sign up and use this Listserv. Use this information it's out there for you to help educate you.

We know it's difficult sometimes to get the meetings and we try to do this as a means of helping to educate people. The next Rural Health Clinic Technical Assistance call will most likely occur in November although we may have something sooner than that depending upon some possible events going on here in Washington and Baltimore. But a notice of that will be sent out via e-mail to those who are registered for the conference call series.

Again I want to thank everyone. And I especially want to thank the Federal Office of Rural Health Policy for their support for this project and this initiative and I thank everyone for participating today.

Operator: And that does concludes today's conference we thank you for your participation.

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