



CMS ICD-10 Vendor Conference Washington, DC – April 27, 2010

Executive Summary

Overview of Proceedings

The Centers for Medicare and Medicaid Services (CMS) convened a vendor conference on April 27, 2010 in Washington, DC, for software vendors, third-party billers, and clearinghouses. The goal of the conference was to provide information to, facilitate discussion among, and gauge readiness of vendors for the transitions to Version 5010 and ICD-10.

More than 140 vendors participated in the conference, which began with presentations on CMS preparations for the transitions, as well as research and outreach efforts with key stakeholders. A vendor panel comprised of large and small companies representing all three vendor industry segments, discussed readiness efforts for and thoughts about the transitions. The afternoon featured breakout sessions with each of the vendor categories. Participants talked about their planning efforts, what they had been hearing from customers, how to engage providers, information needs, and how to foster collaboration among all segments of the health care industry.

Feedback and Participant Recommendations

In general, vendors said they have implementation plans in place for both Version 5010 and ICD-10 and are confident they will meet the implementation deadlines. Many felt they would be ready to begin testing for Version 5010 later this year, but voiced concern as to whether payers will be ready for testing. In addition, vendors expressed concern that there is no testing period for ICD-10 prior to the October 1, 2013 implementation deadline.

A central message conveyed by vendor participants was that they are concerned that payers will not be ready for the transitions, which could lead to disruptions in payments. Vendors felt that it is vital to hear from payers about their implementation efforts, including timing for end-to-end testing for both Version 5010 and ICD-10. Vendors also expressed concern that payers may develop proprietary crosswalks for ICD-10 and stressed the importance of revenue neutrality to make sure reimbursements are fair and accurate. Many called for a national mapping beyond the General Equivalency Mappings (GEMS) to help guide individual payers and providers.

Vendors are looking to CMS to be the central authority for the transitions, facilitating collaboration among key stakeholder groups, providing guidance and technical assistance, and enforcing compliance – particularly among payers. They noted the importance of having a central repository of information including implementation timelines, “how to” flow charts with key steps, and key milestones. They noted that providers, in particular, just want to know what they need to do to get ready.

According to vendors, providers are not knowledgeable or have little concern about the transition to Version 5010. Providers feel this is something that their vendors will take care of on the backend, and they trust that vendors will do what is needed to comply with the mandate. Providers – particularly those in small- to mid-sized practices – are not yet focusing on the transition to ICD-10, feeling that this is something that needs to happen in the distant future. Providers are focusing largely on the upcoming conversion to electronic health records, since that deadline is closer and incentive payments are involved. Providers also feel that since compliance deadlines for virtually every HIPAA mandate have slipped, the same will happen with the ICD-10 deadlines. Vendors stressed that providers need to know that the ICD-10 deadline is firm, and everyone – including providers – needs to start preparing now for this transition. Vendors also felt that providers do not understand the magnitude of the change to ICD-10 and how it will affect the entire health care industry. According to vendors, a key message to providers should be: *If you do not comply, you will not be paid.*

Budget constraints are a big factor for providers, who must allocate funds for various mandates during a down economy. Generally speaking, larger providers have begun the planning process for ICD-10, including conducting impact assessments, because they have greater resources and access to the necessary manpower. The smaller providers have limited resources and knowledge, and it is harder to reach them and get them to focus on the need for immediate action.

Vendors noted that communications to providers should be concise and have simple messaging so as to not overload them with information. Vendors can play a vital role in reminding customers what they should be doing now to prepare for the transition, encouraging them to take advantage of CMS resources available on the ICD-10 Web site. Continuing medical education credits could be offered as an incentive for providers to participate in ICD-10 informational sessions. Training at the medical school level was also seen as an important way to reach young providers.

Breakout session participants thought that it will be vital to secure buy-in from the highest levels of industry organizations for preparing early for the ICD-10 transition. CEOs, CIOs, and COOs need to be engaged and understand that the transition will affect their entire organizations, not just IT divisions. Impact assessments will help the C-suite realize that ICD-10 effects are going to be felt across the whole of their institutions.

Finally, participants noted the value of this conference for sharing information and encouraged CMS to conduct future conferences, Webinars, and other information-sharing sessions with all stakeholder groups.

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