



CENTER FOR MEDICAID AND CHIP SERVICES

Protecting Access to Medicare Act of 2014 **State Medicaid Agencies ICD-10 Impact**

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Discussion Points



- **Protecting Access to Medicare Act of 2014 (PAMA) State Medicaid Agencies (SMAs) Challenges, Issues and Risks**
 - Systems
 - Operations
 - Resources and Financial Impact
- **Opportunities and Focus Areas**
 - Targeted SMA Implementation Assistance
 - Focus on Territories of the United States
 - Optimize Implementation
- **Monitoring and Oversight**
- **Questions**

PAMA 2014

SMA Comments - Challenges, Issues and Risks



SMA, Territories, and SMA Advisory Board posed expected PAMA impact to their ICD-10 implementation project

- SMA/Territories comments submitted directly after PAMA passed
- SMA Advisory Board feedback offered 1 month after PAMA passed
- Input represents full spectrum of SMAs' ICD-10 implementation status

SMA-specific comments have not been vetted or verified by CMS

General Themes

- Highest degree of impact is to SMAs furthest along in ICD-10 implementation
- SMAs plan to conduct impact analysis once additional CMS guidance received
- Postponement has cascading impact to internal ICD-10 dependent projects & to external stakeholders
- SMAs are not halting ICD-10 project activity

Challenges, Issues and Risks Systems Impact



- **MMIS and peripheral system updates to reflect new ICD-9/ICD-10 dates***
 - Update, test, modify, re-test
- **DRG implementation – requires version/scheduling change**
- **Delays scheduled ICD-10 dependent systems project work/upgrades**
- **Requires extended support of testing environment**
 - Early reports of key stakeholders ' intent to delay testing closer to implementation date

**The recently announced extension of the partial code freeze will help minimize the work effort for the SMAs*

Challenges, Issues and Risks Operations Impact



■ Policies Impact

- Dual modifications, updates, retesting and maintenance if new ICD-9/ICD-10 codes introduced*
- Provider Manual updates
- Eligibility form revisions
- External stakeholder coordination

■ Business Processes

- Revise Risk Management, Contingency, Project and Communication Plans
- Ongoing external stakeholder outreach and coordination
- Revise billing instructions
- Renew contracts and licenses
- Revise ICD-10 Training schedules
- Re-work of business processes, websites, desk references with published effective dates

**The recently announced extension of the partial code freeze will help minimize the work effort for the SMAs*

Challenges, Issues and Risks Resources and Financial Impact



■ Staffing impact

- Loss of trained project personnel through reassignment, attrition
- Extended assignment of personnel for Project Management, remediation, provider outreach, training/retraining and end-to-end testing
- Contract extension for consultants, contractors

■ Wide Range of Cost Estimates

- Range from \$100K to \$14.5M based on preliminary feedback
- SMAs will conduct detailed cost analysis after additional CMS guidance issued

■ SMAs will submit updated funding requests (APDs); requesting expedited review/approval

Opportunities and Focus Areas

Technical Assistance – Continued Momentum



Targeted SMA Implementation Assistance

- Completed 9 comprehensive SMA ICD-10 workshops encompassing all 10 HHS/CMS regions
- Customized on-site workshops in progress for top 5 Medicaid population SMAs
- On-site training sessions in progress for SMAs requiring additional implementation assistance

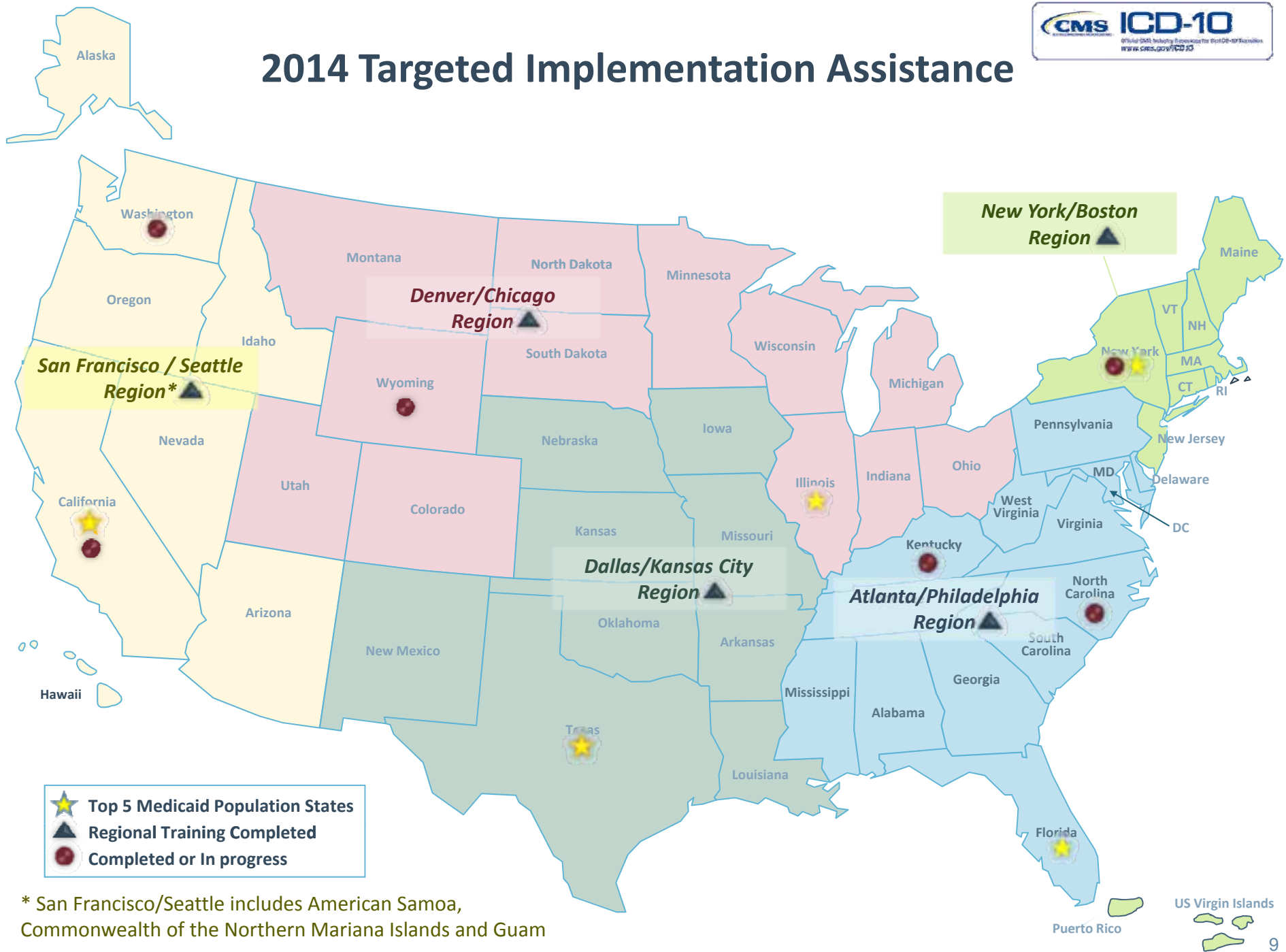
Focus on Territories of the United States

- Conducting bi-weekly teleconferences with each Territory's Medicaid Office
- Monitor progress
- Ongoing educational assistance/training

Optimize Implementation

- ICD-10 alignment with state Workers Compensation programs
- Enhanced provider outreach and engagement
- More comprehensive end-to-end testing
- Affords time for increased transition and post implementation planning

2014 Targeted Implementation Assistance



* San Francisco/Seattle includes American Samoa, Commonwealth of the Northern Mariana Islands and Guam

Monitoring



- **SMA**s queried as necessary to proactively identify *any* potential ICD-9/ICD-10 payment risks
- **Detailed SMA Readiness Assessments** administered quarterly to evaluate implementation phase/risk
- **1-on-1 teleconferences** with individual SMA**s** as needed
- **SMA**s afforded multiple channels for direct communication with CMS:
 - Highly interactive CMS/SMA Communities of Practice
 - Bi-weekly Forums
 - Dedicated SMA ICD-10 Collaboration Web-site
 - Monitored ICD-10 mailbox

QUESTIONS?