



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Touching Lives Every Day"

COMPLIANCE ALERT 12-18

CMS Sets October 1, 2014 for ICD-10 Implementation

EXECUTIVE SUMMARY: CMS issued its final rule on August 24, 2012 that:

- a) adopts the standard for a national unique health plan identifier (HPID) which must be obtained by covered health plans by November 5, 2014;
- b) establishes requirements for the implementation of the HPID by Hospitals in standard transactions by November 7, 2016.
- c) specifies the circumstances under which an organization covered health care provider must require certain non-covered individual health care providers who are prescribers to obtain and disclose a National Provider Identifier (NPI), and;
- d) changes the compliance date for the International Classification of Diseases, 10th Revision, Clinical Modification (ICD-10-CM) for diagnosis coding, including the Official ICD-10-CM Guidelines for Coding and Reporting, and the International Classification of Diseases, 10th Revision, Procedure Coding System (ICD-10-PCS) for inpatient hospital procedure coding, including the Official ICD-10-PCS Guidelines for Coding and Reporting, **from October 1, 2013 to October 1, 2014.**

DETAILED INFORMATION:

- 1) Currently, covered health care providers "are frustrated by various problems associated with the lack of a standard identifier, such as: improper routing of transactions; rejected transactions due to insurance identification errors; difficulty in determining patient eligibility; and challenges resulting from errors in identifying the correct health plan during claims processing. The adoption of the HPID and the OEID will increase standardization within HIPAA standard transactions and provide a platform for other regulatory and industry initiatives. Their adoption will allow for a higher level of automation for health care provider offices, particularly for provider processing of billing and insurance related tasks, eligibility responses from health plans, and remittance advice that describes health care claim payments."
- 2) "This rule requires an organization covered health care provider to require certain non-covered individual health care providers who are prescribers to: (1) obtain NPIs; and (2) to the extent the prescribers write prescriptions while acting within the scope of the prescribers' relationship with the organization, disclose them to any entity that needs the NPIs to identify the prescribers in standard transactions. This addition to the NPI requirements

would address the issue that pharmacies are encountering when the NPI of a prescribing health care provider needs to be included on a pharmacy claim, but the prescribing health care provider does not have, or has not disclosed, an NPI.

- 3) CMS feels that the change in ICD-10 implementation will provide covered entities more time to synchronize system and business process preparation and changeover to the updated medical data code sets.

Source: http://www.ofr.gov/OFRUpload/OFRData/2012-21238_PI.pdf