

Are You in Favor of a Penalty-free ICD-10 Transition?

A policy was passed by physicians at the 2015 annual meeting of AMA, asking the CMS to grant a two year, penalty-free grace period to physicians once ICD-10 is implemented. CMS has been asked to not withhold payments on the basis of coding errors or malfunctions in the system. This proposal was unanimously adopted by the AMA House of Delegates who voted in favor of a grace period that will help physicians avoid financial disruptions and continue offering quality care.

With less than four months to go, adoption of this grace period has come as a relief for providers, especially small physicians practices that will be majorly impacted with the transition.

It has been acknowledged by the CMS that the transition will be impacting physician payment procedures. However, with the adoption of this policy, payment for physicians will not be withheld on the basis of ICD-10 coding mistakes. They will be able to reap the benefits of the new code set without compromising on patient care.

The new policy will also have the AMA seeking data on how the new code set has affected patient care and changed the way physicians run a practice. This will include all types of changes such as, seeking retirement or shifting to all-cash practices.

Healthcare Industry Trivia

- As per a 2013 report by the Healthcare Financial Management Association, denial rates will increase by 100-200% in the early stages of [ICD-10 implementation](#)
- As per estimations made by the CMS, implementation of ICD-10 might double the days in accounts receivable to 40%

Is the Existence of Private Practices at Stake?

A 400% increase in number of codes used for diagnosis will surely prove overwhelming for physicians. They will have to improve documentation, streamline billing and coding procedures to get paid on time and also ensure compliance with HIPAA and other reforms. These tasks will create pressure on them and reduce the time they spend with patients one-on-one.

Physicians at the AMA meeting spoke about the impact of ICD-10 on medical specialties, especially primary care physicians. Since PCPs treat an array of health problems, it will become necessary for them to learn thousands of new codes if they wish to get paid on time. The new code set will pose challenges for many small physician practices that are already struggling with staffing and revenue issues. Any more delay in payments might put a question mark on their existence.

MBC Helping Practices Gear Up for ICD-10

ICD-10 is round the corner and providers are running out of time to conduct end-to-end testing of claims. Since the updates are massive and time is less, many practices are outsourcing their billing needs rather than hiring, training and buying new software. MBC is helping many practices make necessary adjustments to meet ICD-10 challenges. From identifying loopholes in the revenue cycle to offering error-free coding, claims submission, AR management and denial management, an expert team at MBC is ensuring that payments aren't affected in the transition process.