



Physicians Caring for Texans

TMA ICD-10 Survey

Oct. 1 is the day all physicians must begin using ICD-10 — the International Statistical Classification of Diseases and Related Health Problems, 10th Revision — to record all diagnoses and inpatient procedures. Mandated by the U.S. Department of Health and Human Services, the upgrade from the current coding system, ICD-9, requires doctors' offices to collect and report more detailed patient data. Physicians, electronic health record companies, claims clearinghouses, commercial insurance companies, and government agencies all must adopt the new system.

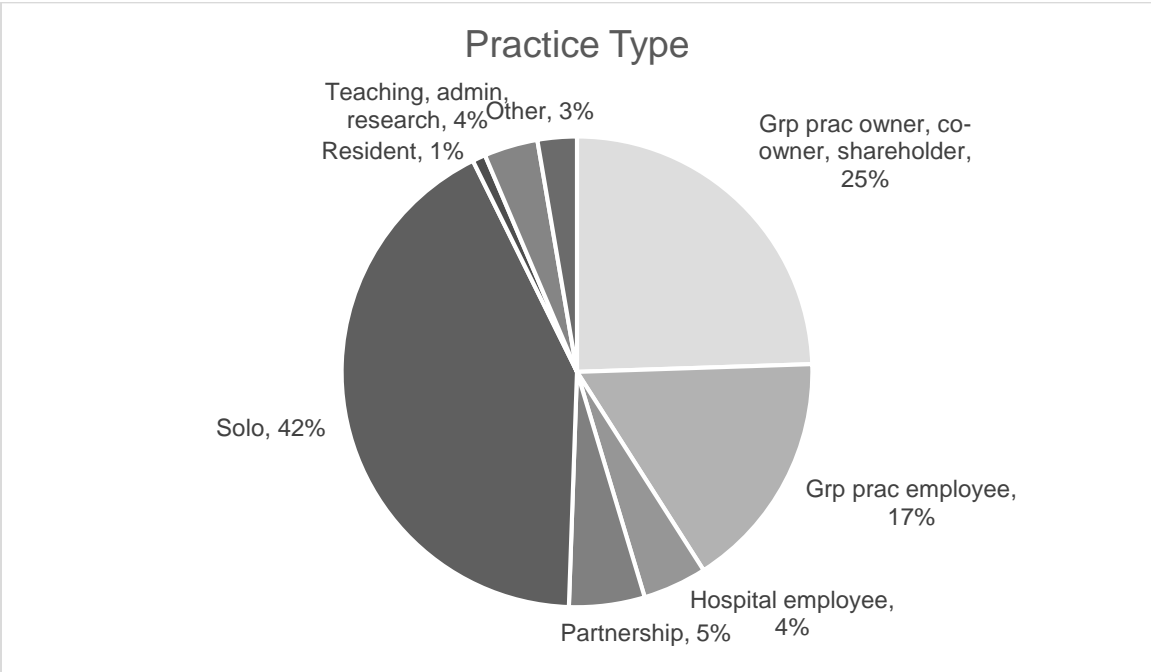
In July 2015, Texas physicians were surveyed regarding their practice's readiness to transition to ICD-10. Approximately 36,786 Texas Medical Association members and nonmembers with email addresses in the TMA database were emailed a link to the survey. The results are based on 936 responses.

Active Practice (Q1-2)

Ninety-seven percent of respondents currently treat patients in active medical practice. Among physicians who quit treating patients in active medical practice, 48 percent quit due to regulatory and/or administrative burdens, and 22 percent quit due to ICD-10.

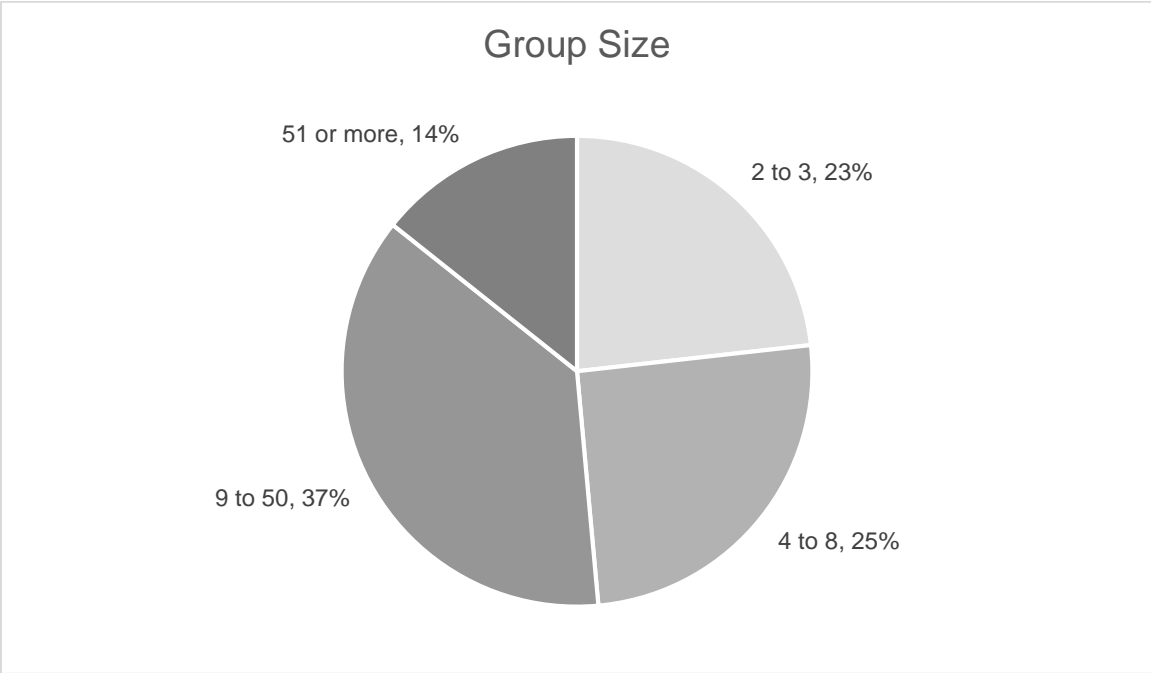
Type of Practice (Q3)

The large minority of physicians are solo practitioners (42 percent).



Group Size (Q4)

Physicians in groups or partnerships were asked about the number of physicians in their practice. The majority are in groups with 50 or fewer physicians (85 percent).

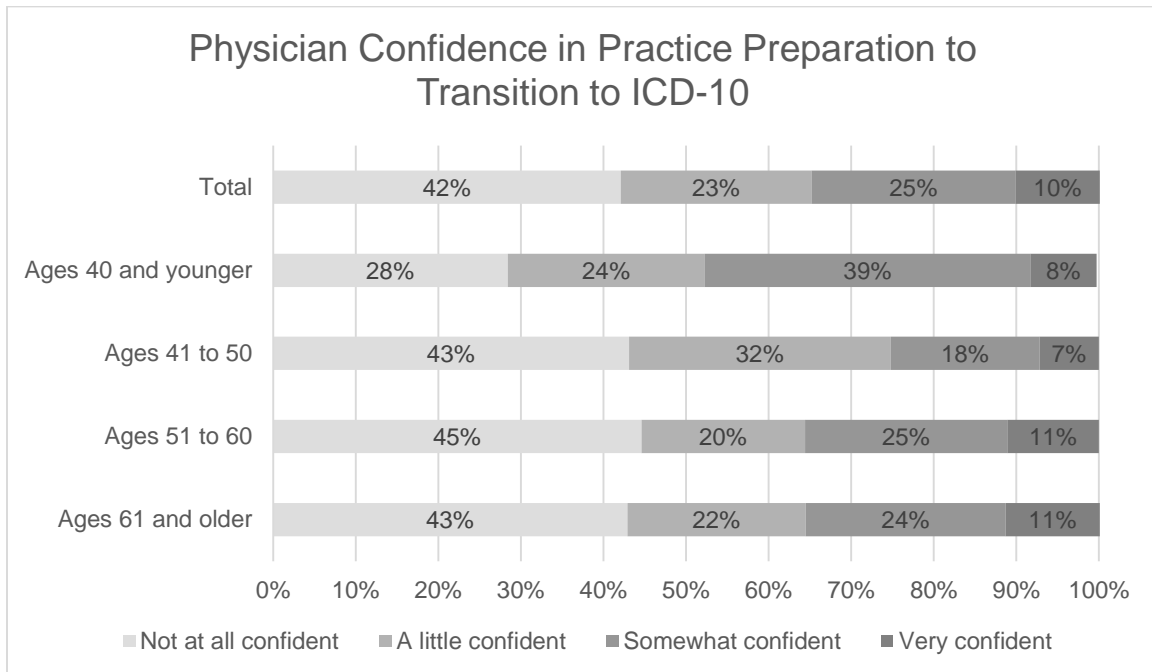


Practice Revenues (Q5)

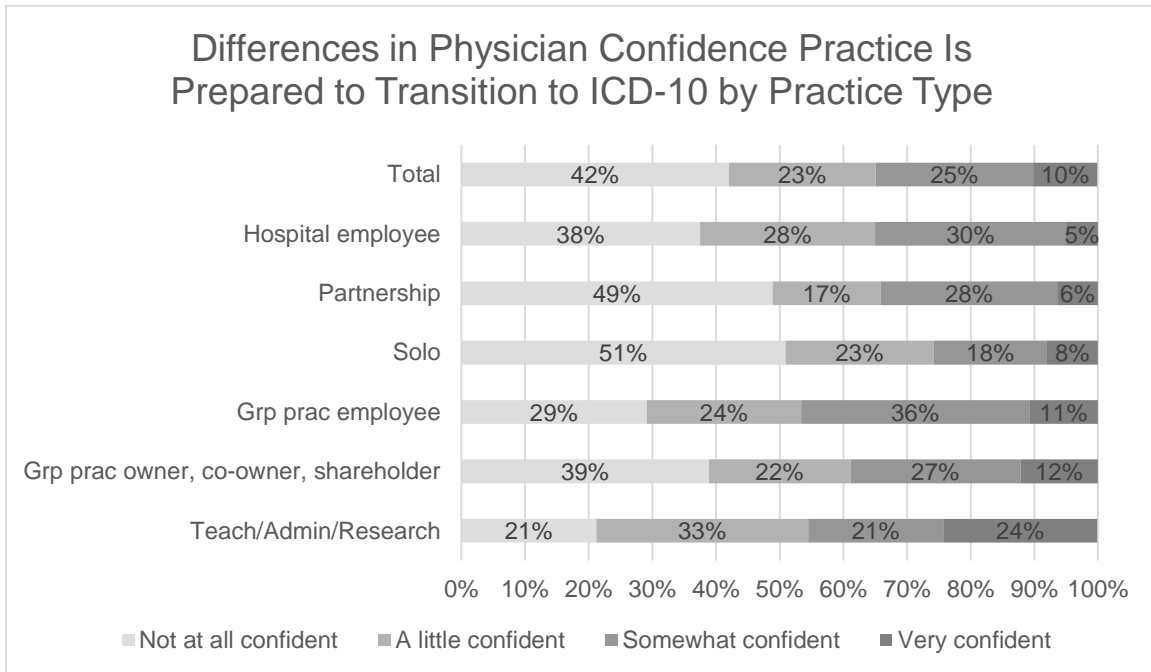
Physicians report a median of 31 percent of their practice revenues from Medicare, 12 percent from Medicaid, 5 percent from TRICARE, and 47 percent from commercial payers.

Practice Readiness for ICD-10 (Q6)

Few physicians are very confident their practice is prepared to transition to ICD-10 on Oct. 1 (10 percent). Younger physicians are less confident than older physicians.

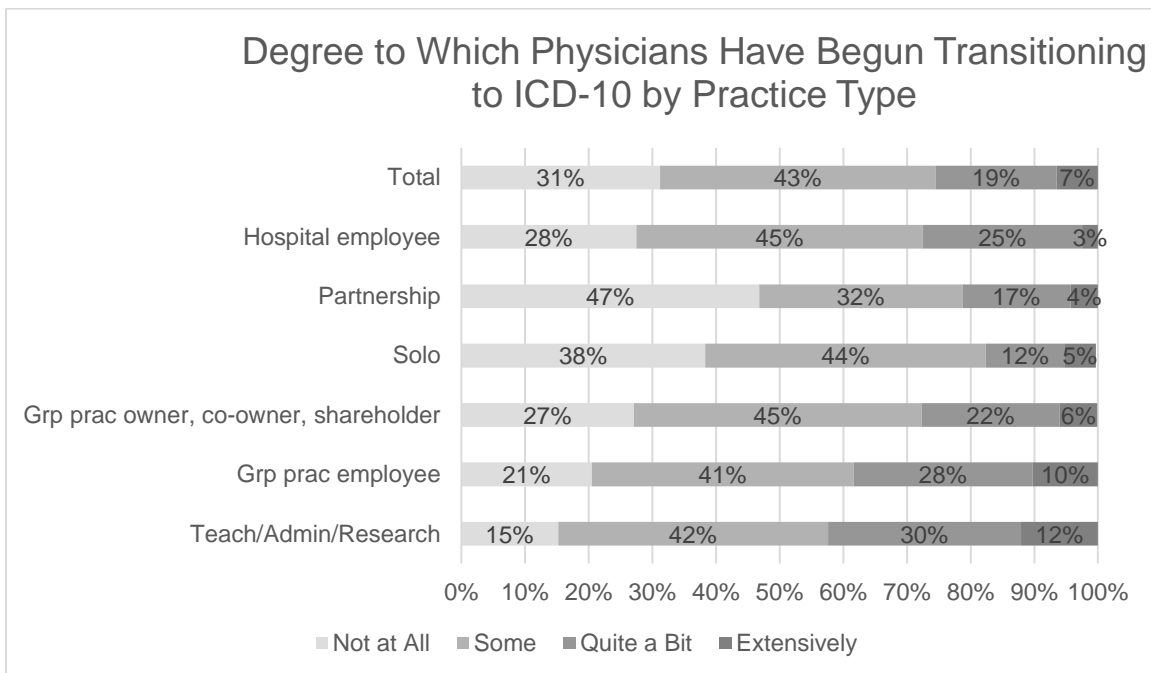


Physicians employed in hospitals are least likely to be very confident their practice is prepared to transition to ICD-10 (5 percent).

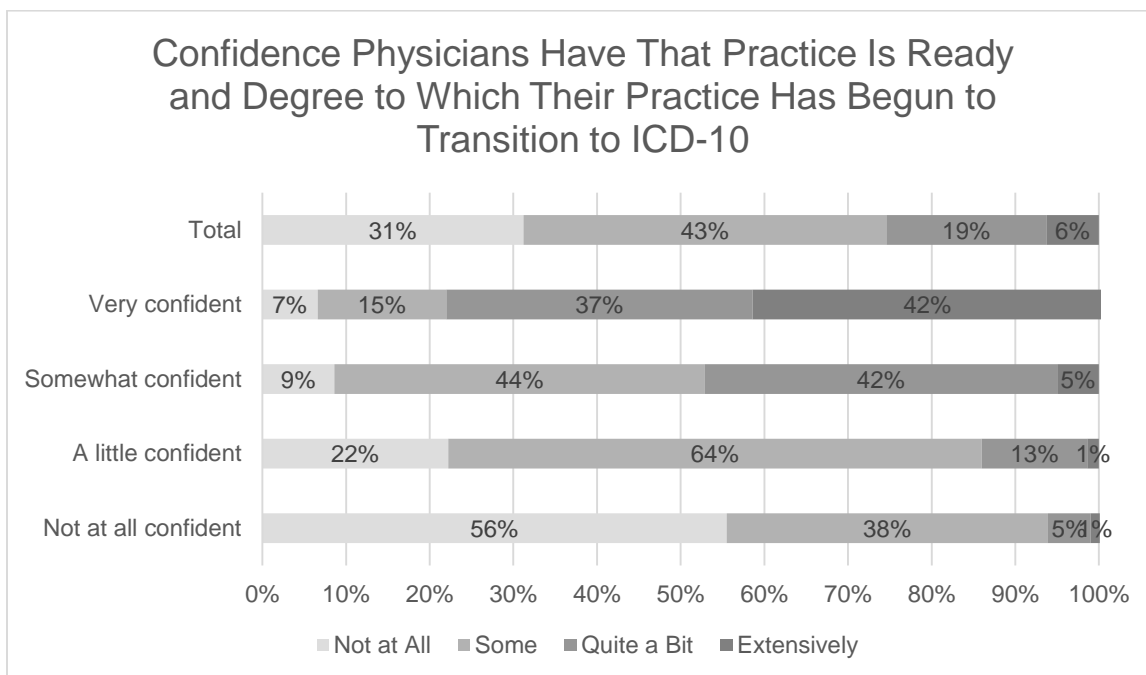


Practice Transition to ICD-10 (Q7)

Few physicians have begun transitioning to ICD-10 extensively (7 percent). Physicians employed in hospitals are least likely to feel their practice has begun to transition to ICD-10 extensively (3 percent).

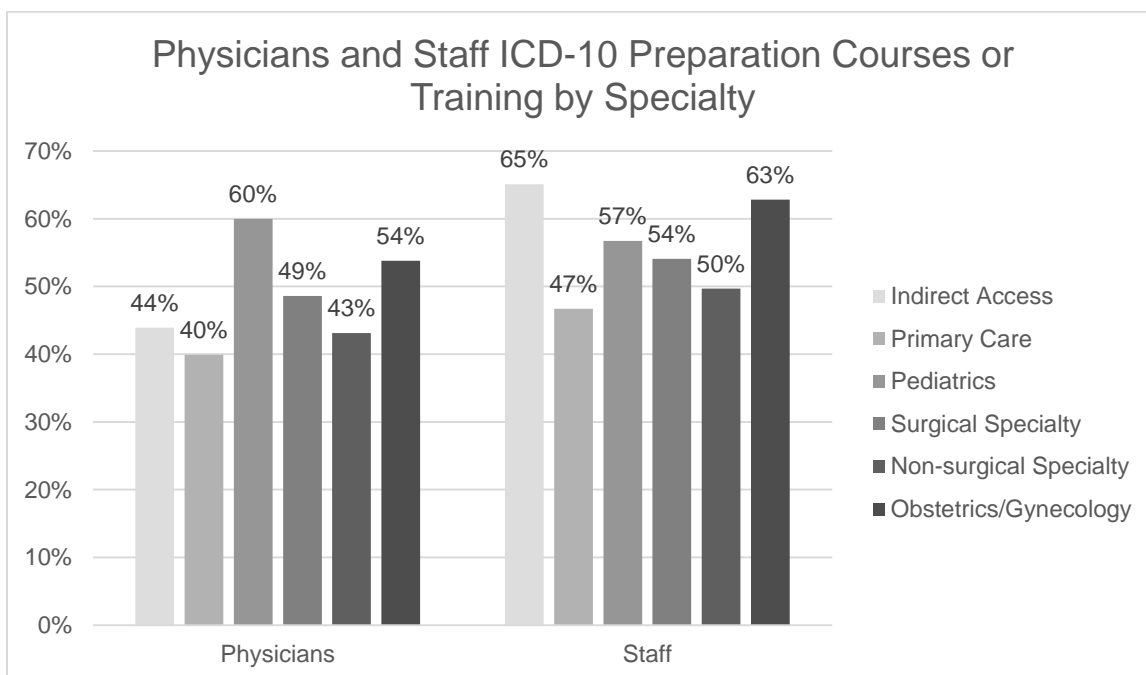


Even among physicians who feel very confident their practice is prepared to transition to ICD-10, only 42 percent report their practice has begun transitioning extensively.

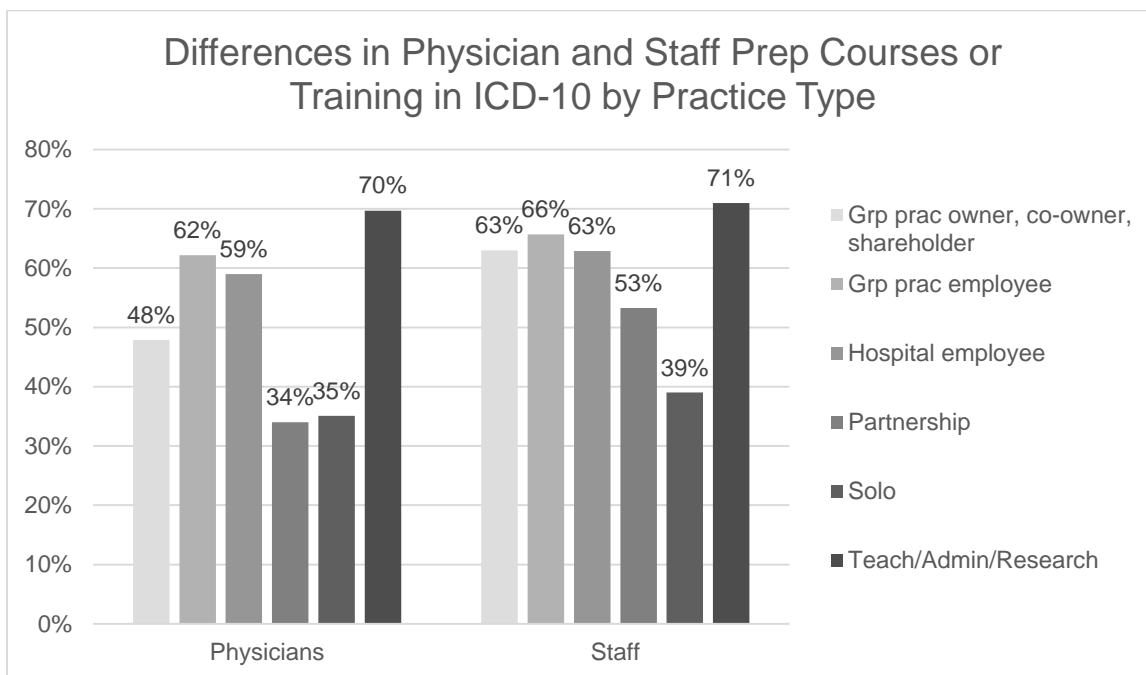


Physician and Staff Preparation for ICD-10 (Q8)

Fifty-three percent of physicians report the staff and 46 percent report the physicians in their practice have taken ICD-10 preparation courses or training.



Physicians in partnerships (34 percent) and the staff of solo practices (39 percent) are least likely to have taken preparation courses or training in ICD-10.



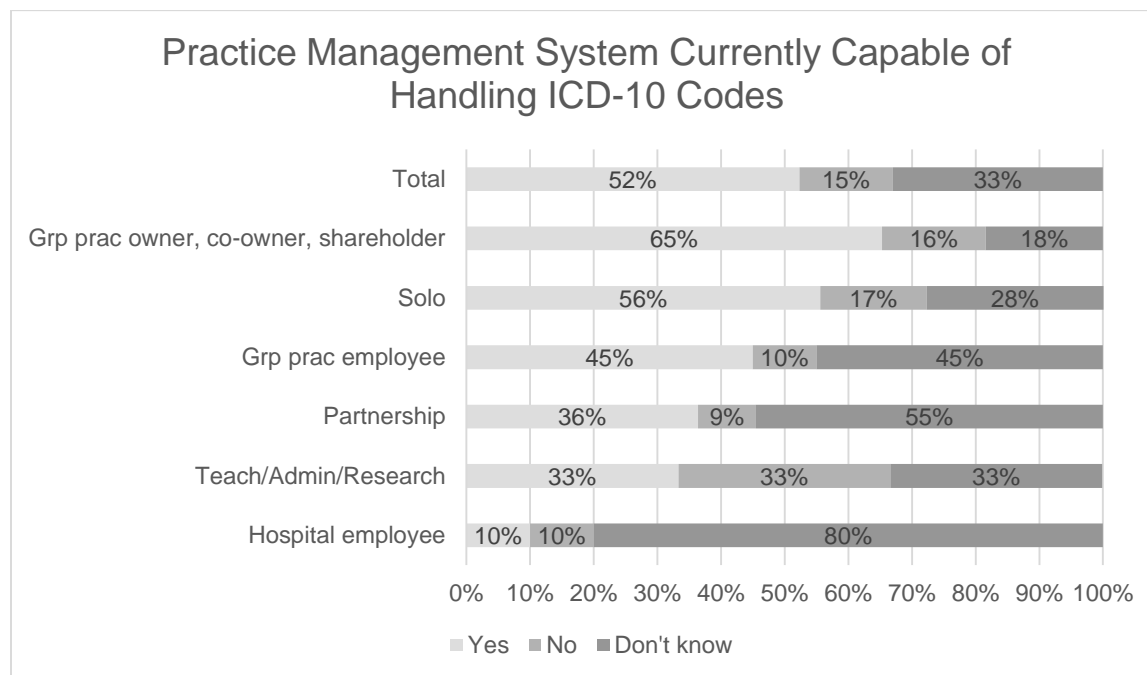
EHR Status (Q9-14)

Seventy-four percent of physicians report their practice currently uses an electronic health record (EHR). Among EHR users:

- Sixty-five percent report their EHR is currently capable of handling ICD-10 codes;
- Twenty-nine percent of physicians whose EHR is not currently capable of handling ICD-10 codes are expecting an update;
- Fifteen percent of physicians report there will be a median cost of \$10,000 associated with this update; and
- One percent of physicians report their software will need to be replaced.

Practice Management System Status (Q15-21)

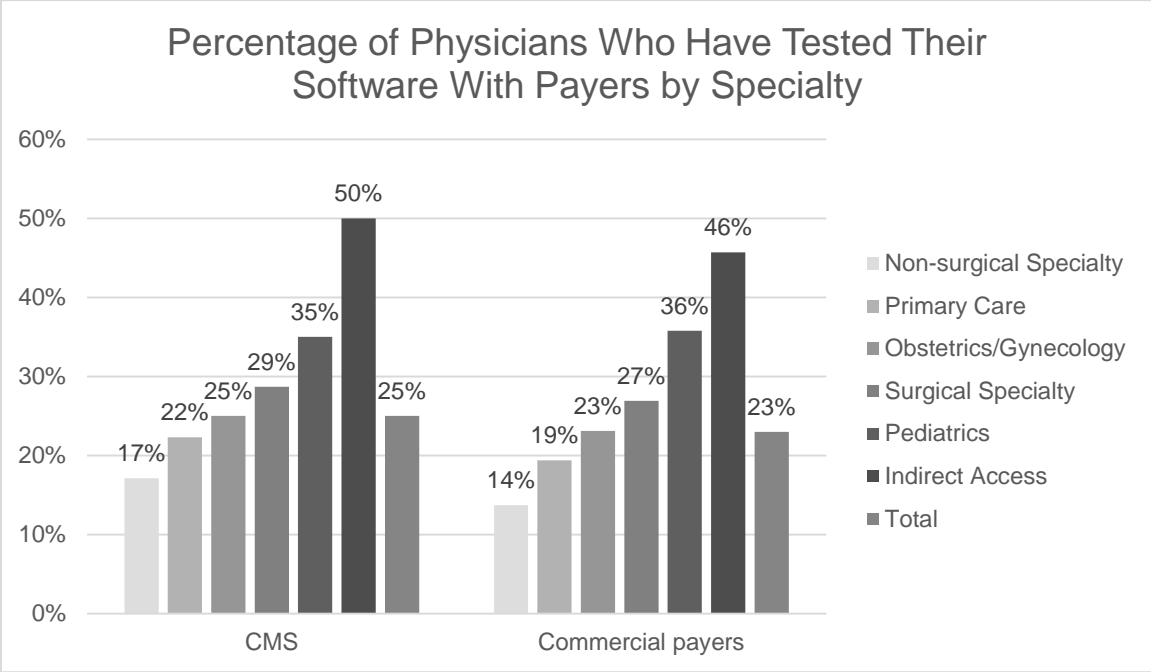
Approximately 21 percent of physicians use a practice management system (PMS) not integrated with their EHR. Among these physicians:



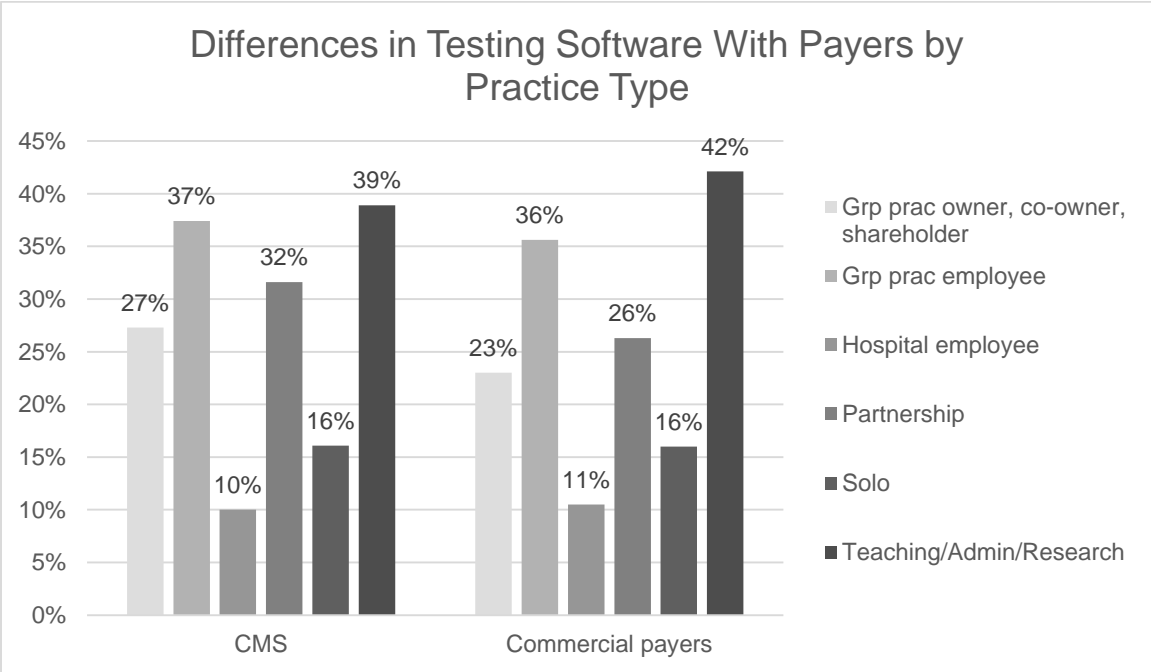
- Fifty-two percent report their PMS is currently capable of handling ICD-10 codes;
- Thirty-four percent of physicians whose PMS is not handling ICD-10 codes are expecting an update;
- Nineteen percent report there will be a median cost of \$7,000 associated with their update;
- And 4 percent report their PMS system will need to be replaced.

Software Readiness for ICD-10 (Q22-24)

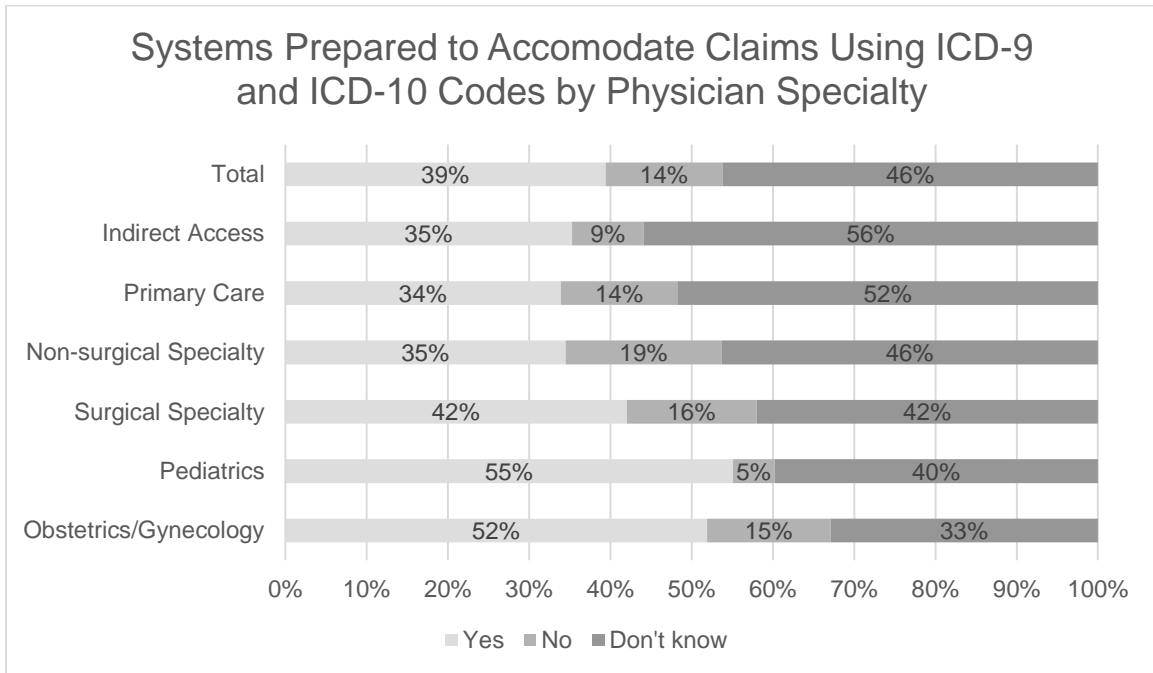
Few physicians have tested their software’s readiness to comply with ICD-10 billing practices with the Centers for Medicare & Medicaid Services (CMS) (25 percent) or commercial payers (23 percent).



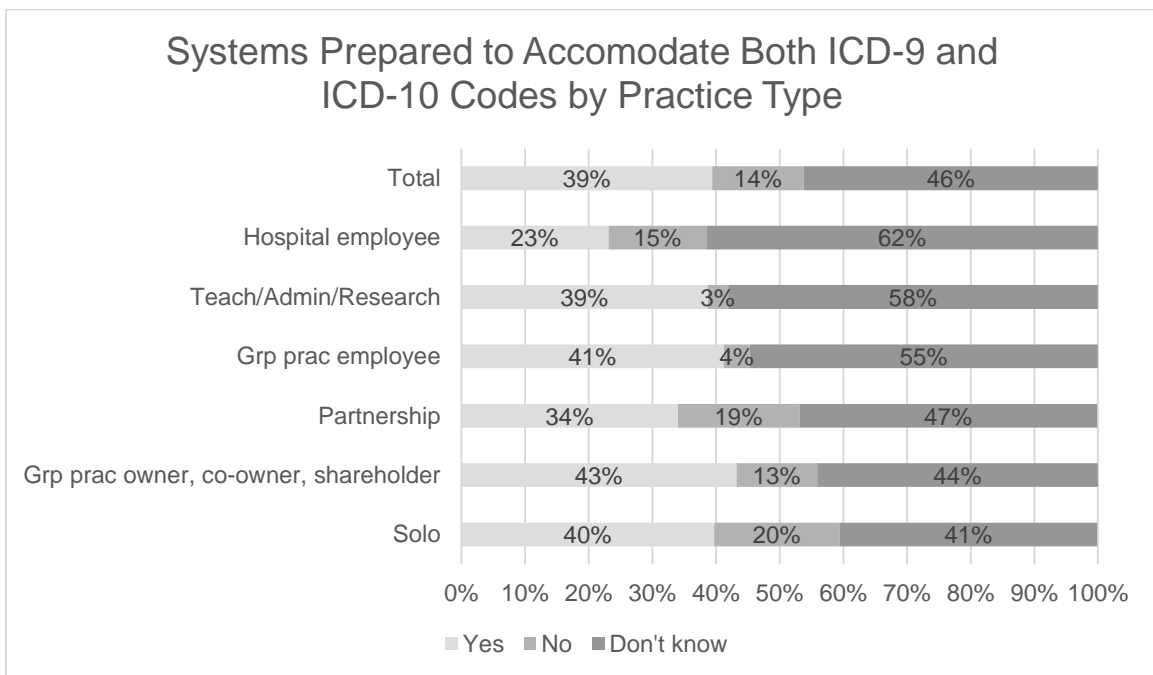
Physicians in teaching, administration, or research are more likely to have tested their software with CMS (39 percent) and commercial payers (42 percent).



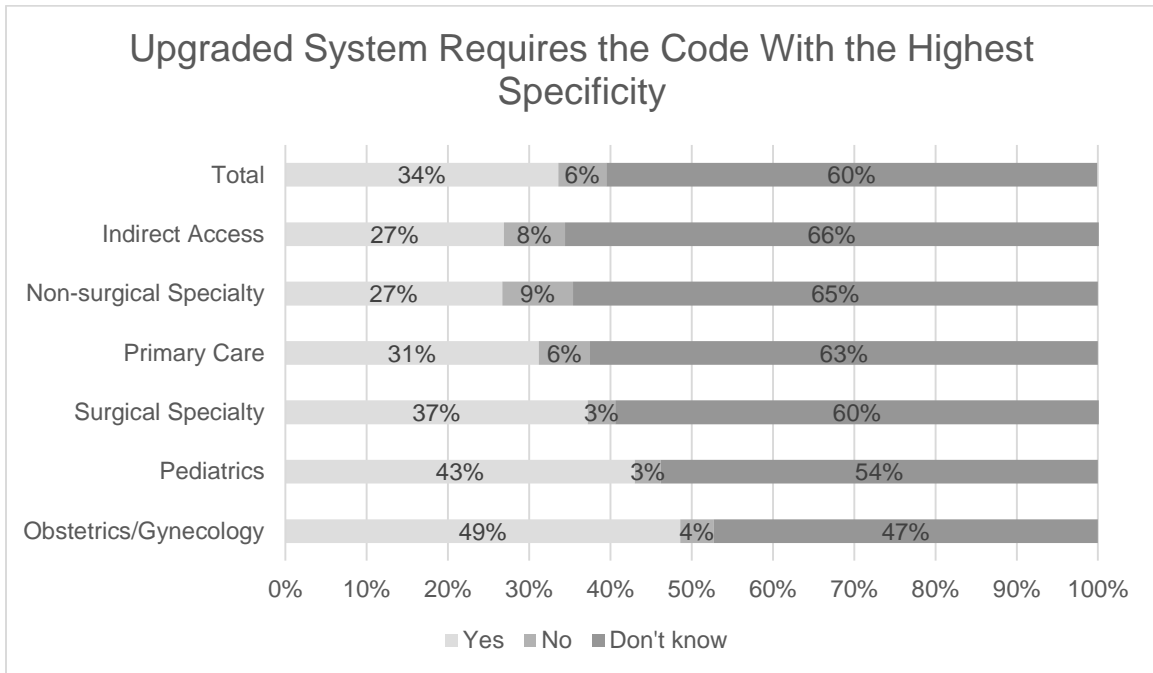
Thirty-nine percent of physicians report their systems are prepared to accommodate claims that use both ICD-9 and ICD-10 codes after October. Forty-six percent of physicians don't know.



Hospital employees are less likely to be sure the systems they use are prepared for claims using both ICD-9 and ICD-10 codes (23 percent).

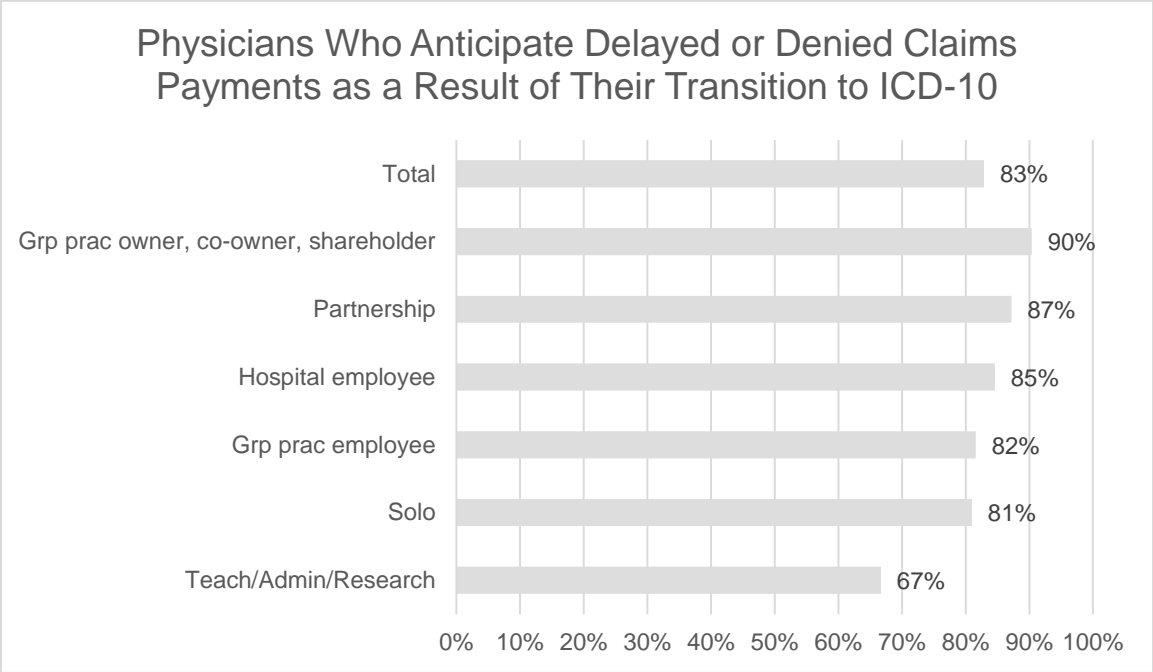


More than a third of physicians report their upgraded system requires them to select the code with an appropriate fourth or fifth character to identify the highest specificity (34 percent). The majority of physicians don't know (60 percent). CMS' decision not to audit claims based on the specificity of the diagnosis codes may not be of much benefit to physician practices.



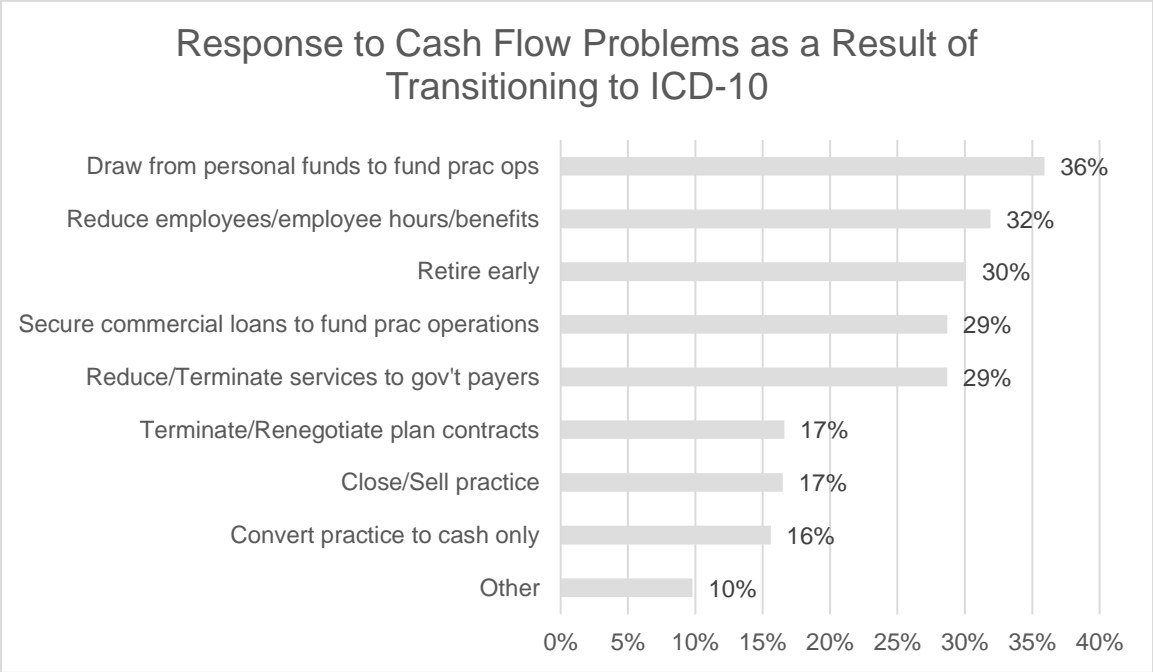
Cash Flow Problems Resulting From ICD-10 (Q25)

The majority of physicians anticipate delayed or denied claims payments as a result of their transition to ICD-10.

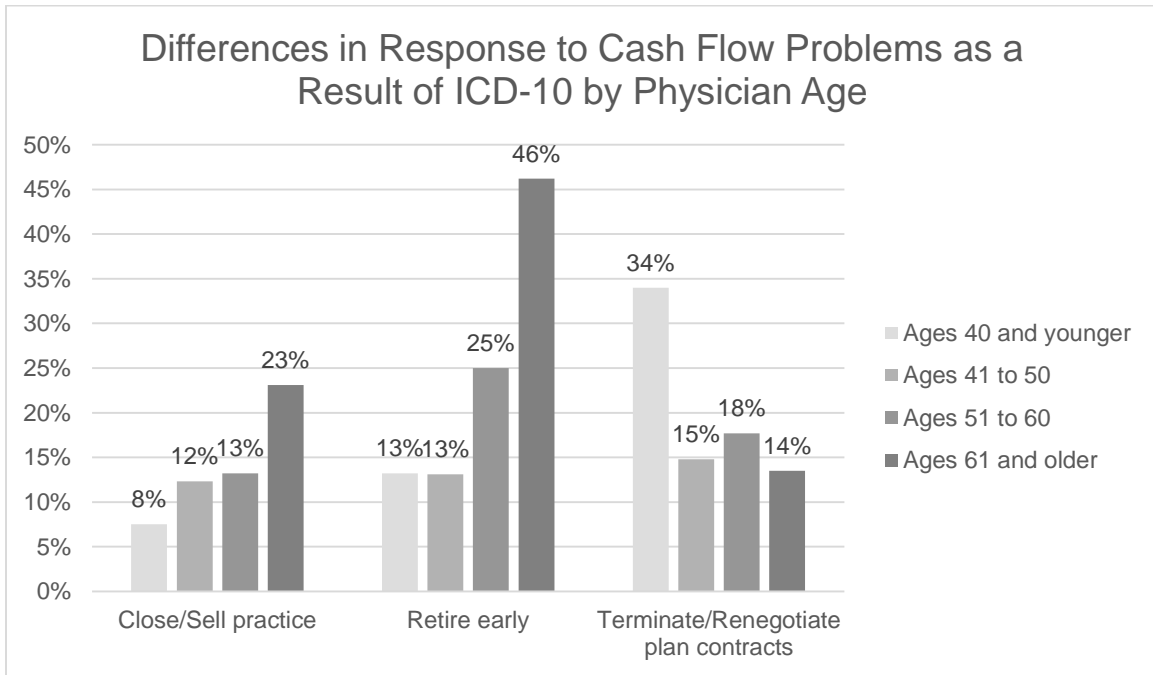


Response to Cash Flow Problems From ICD-10 (Q26)

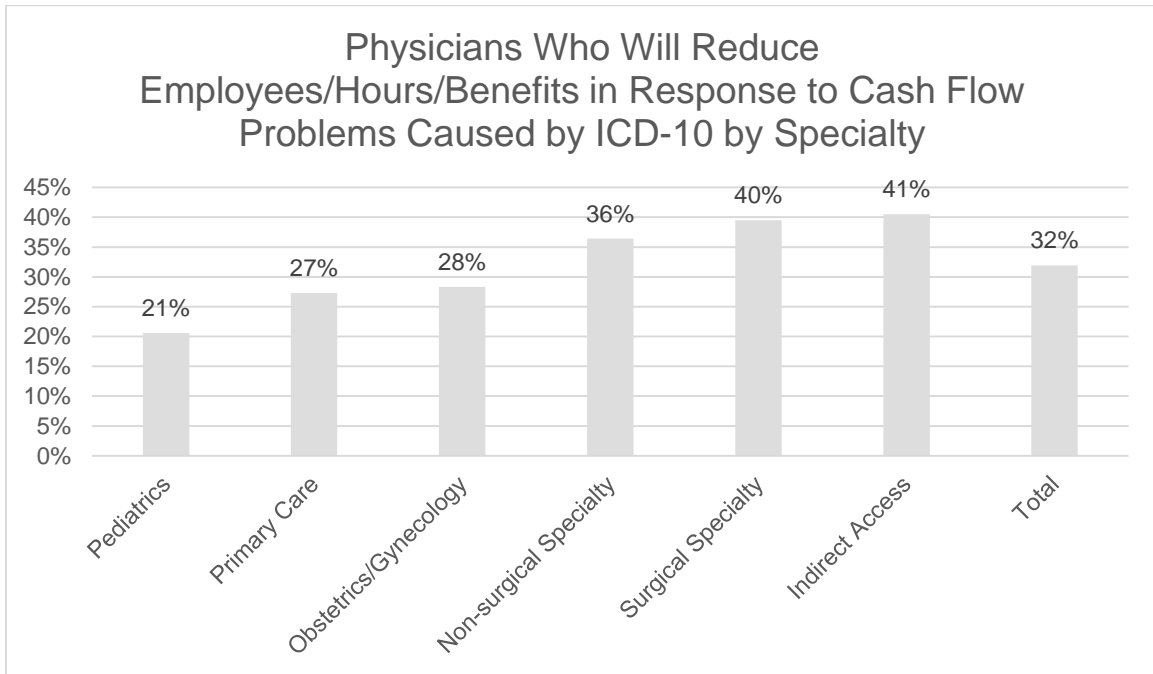
In response to cash flow problems, physicians will draw from personal funds to fund current practice operations (36 percent).



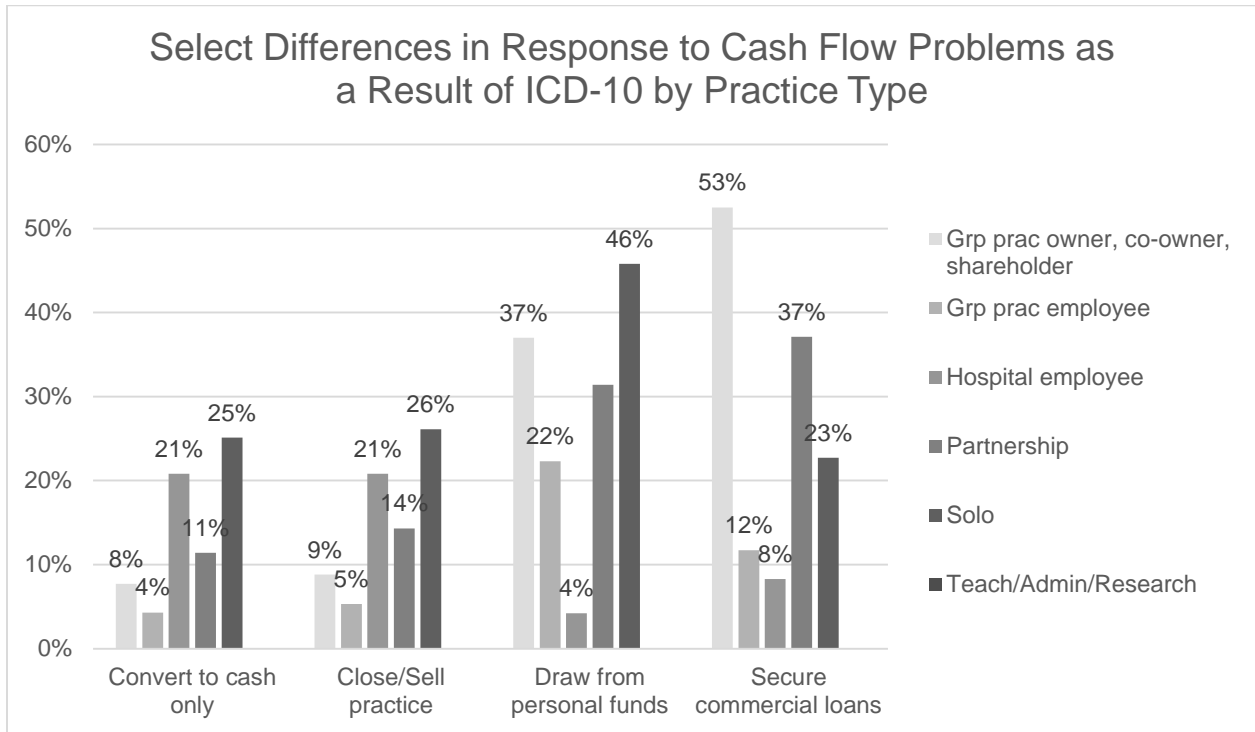
Older physicians are more likely to close or sell a practice and/or retire early in response to delayed or denied claims payments as a result of ICD-10. Physicians in the youngest age group (40 years and younger) are more likely to terminate or renegotiate plan contracts (34 percent).



Physicians in indirect-access specialties are most likely to reduce employees, employee hours, and/or benefits in response to cash flow problems caused by ICD-10 payment delays (41 percent).

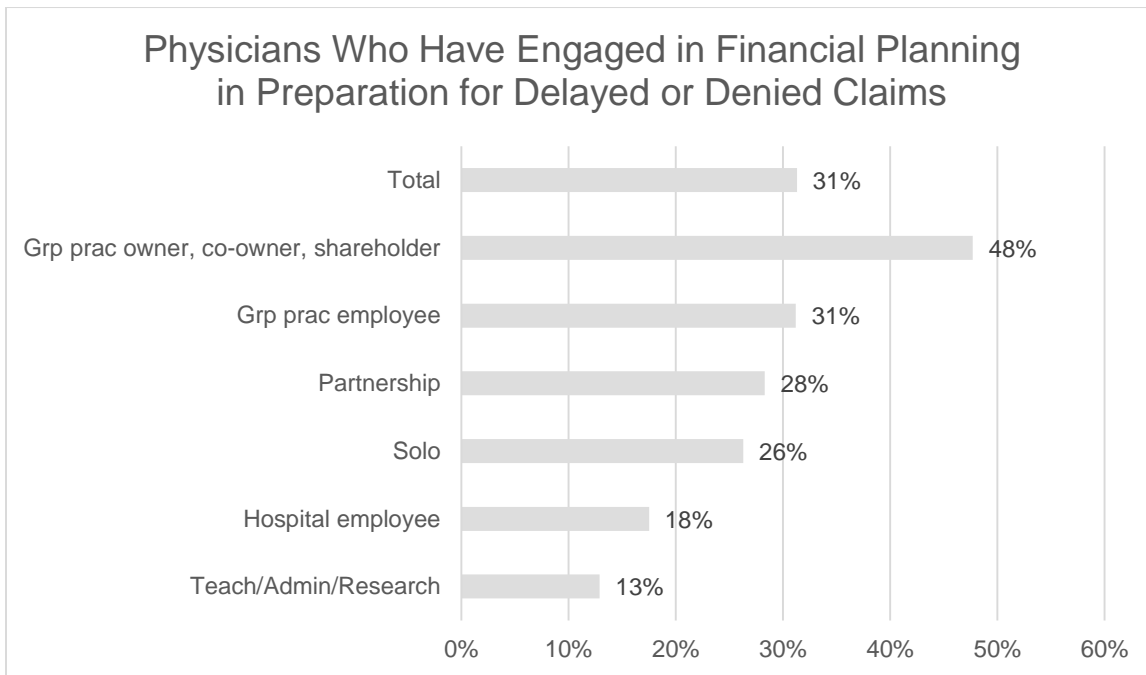


Group practice owners, co-owners, and shareholders are most likely to secure commercial loans in response to cash flow problems resulting from ICD-10 (53 percent). Solo physicians are most likely to draw from personal funds (46 percent).

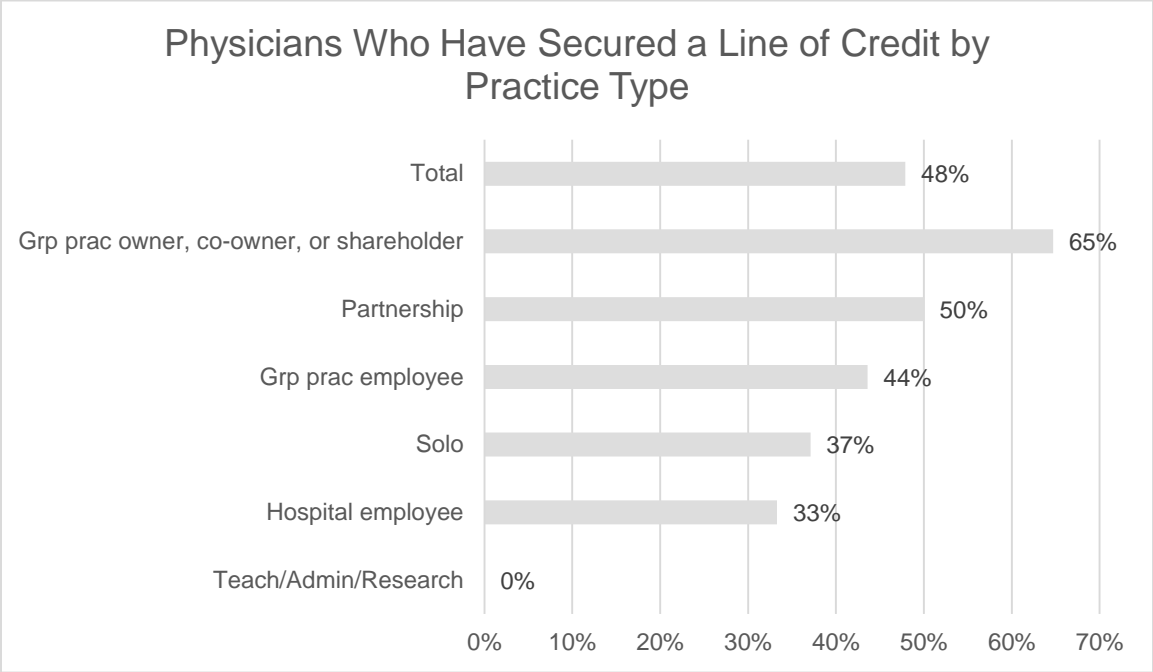


Financial Preparedness Planning (Q27-28)

Thirty-one percent of physicians have engaged in some form of financial planning for the possibility of delayed or denied claims payments as result of their transition to ICD-10.



Physicians who have engaged in financial preparedness planning have set aside funds (68 percent) and/or have secured a line of credit (48 percent). Group practice owners, co-owners, and shareholders are more likely than physicians in other practice types to have secured a line of credit (65 percent).



Physician Demographics

Gender

	%
Male	75
Female	25

Age

	%
40 and younger	10
41 to 50	18
51 to 60	33
61 and older	39

Specialty

	%
Indirect Access	8
Primary Care	33
Pediatrics	11
Obstetrics-Gynecology	9
Surgical Specialty	17
Nonsurgical Specialty	23

County

	%
Bexar	6
Dallas	15
Harris	20
Tarrant	7
Travis	8
Rural	7
Small urban	35
Rio Grande Valley	2

TMA Membership Status

	%
Member	87
Nonmember	13

APPENDIX — Survey Instrument

TMA Physician Survey – ICD-10

1. Do you currently treat patients in active medical practice?
 - Yes
 - No

2. If not, have you quit treating patients in active medical practice due to any of the following concerns? (Check all that apply.)
 - ICD-10
 - Other regulatory/administrative burdens
 - Neither

3. Which of the following best describes your primary form of medical practice?
 - Group practice owner, co-owner, or shareholder
 - Group practice employee
 - Hospital employee
 - Partnership
 - Solo
 - Resident
 - Teaching, administration, or research
 - Other (please specify): _____

4. [If physicians specify “group practice” or “partnership”] How many physicians are in your group or partnership? (Please enter an approximate number.)

5. Approximately what percentage of your practice revenues are derived from each of the following payers? (If you cannot estimate, you may leave this question blank, but please complete the rest of the survey.)
 - _____ Medicare
 - _____ Medicaid
 - _____ Tricare
 - _____ Commercial

6. How confident are you that your practice is prepared to transition to ICD-10 on October 1st?
 - Not at all confident
 - A little confident
 - Somewhat confident
 - Very confident

7. To what degree has your practice begun transitioning to ICD-10?

- Not at All
- Some
- Quite a Bit
- Extensively

8. Have any of the physicians and/or staff in your practice taken any ICD-10 preparation courses or training?

	No	Yes
Physicians		
Staff		

9. Does your practice currently use an EHR?

- Yes
- No (Skip to question 16.)

10. Is your EHR currently capable of handling ICD-10 codes?

- Yes (Skip to question 14.)
- No
- I don't know (Skip to question 14.)

11. If not, are you expecting an update?

- Yes (Skip to question 13.)
- No

12. If not, will your EHR software need to be replaced?

- Yes
- No
- I don't now

13. If you are expecting an update, will there be a cost associated with it?

- Yes
- No (Skip to question 15.)
- I don't know (Skip to question 15.)

14. If yes, how much will the update cost? (Please enter an approximate number. If you cannot estimate, you may leave this question blank.)

15. Is your practice management system integrated with your EHR?

- Yes (Skip to question 22.)
- No

16. Does your practice currently use a practice management system?

- Yes
- No (Skip to question 23.)

17. Is your practice management software currently capable of handling ICD-10 codes?

- Yes (Skip to question 22.)
- No
- I don't know (Skip to question 22.)

18. If not, are you expecting an update?

- Yes (Skip to question 20.)
- No

19. If not, will your practice management software need to be replaced?

- Yes
- No
- I don't know

20. If you are expecting an update, will there be a cost associated with it?

- Yes
- No (Skip to question 22.)
- I don't know (Skip to question 22.)

21. If yes, how much will the update cost? (Please enter an approximate number. If you cannot estimate, you may leave this question blank.)

22. Have you tested your software's readiness to comply with ICD-10 billing practices with

	Yes	No	N/A
CMS?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Commercial payers?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

23. Are your systems prepared to accommodate claims that use both ICD-9 and ICD-10 codes after October?

- Yes
- No

24. Does your upgraded system require you to select the code with an appropriate 4th or 5th character to identify the highest specificity?

- Yes
- No

- I don't know

25. Do you anticipate delayed or denied claims payments as a result of your transition to ICD-10?

- Yes
- No

Answer If ... Yes Is Selected

26. Will these cash-flow problems cause you to take any of the following actions? (Check all that apply). [Randomized]

- Draw from personal funds to fund current practice operations
- Secure commercial loans to fund current practice operations
- Close or sell a practice
- Lay off or reduce employees, employee hours, or employee benefits
- Terminate or renegotiate plan contracts
- Reduce or terminate services to government payers
- Retire early
- Convert practice to cash only
- Other (please specify): _____

27. Have you engaged in any financial preparedness planning for the possibility of delayed or denied claims payments as you transition to ICD-10?

- Yes
- No

28. If yes, what steps have you taken? (Check all that apply.)

- Secured a line of credit
- Set aside funds
- Other (please specify): _____