

## **ATTACHMENT A**

### **3M Company Amendment #2**

All health care providers and payers must comply with the ICD-10 mandatory regulation or the Center for MediCal Services (CMS) will financially penalize those entities that are not ICD-10 compliant by 10/1/2014. The 3M services purchased by this amendment will assist NMC with the critical and necessary assessments, analysis, technical tools and training to successfully plan and implement ICD-10.

3M is the prominent healthcare industry leader in the field of ICD-10 classification and is currently under contract with CMS for developing ICD-10 PCS and CM codes. They have extensive ICD-10 transition experience working with clients in Canada, Australia, New Zealand, UK, Germany & other countries.

The issues creating the mandate for ICD-10 Code Set Implementation are as follows:

- ICD-10 is the standard Coding Model for international healthcare delivery.
- Consolidation of a single coding model to simplify the ability to manage patient care across the continuum with a more granular coding metaphor to cover all diagnosis data.
- A standard to bridge all providers of care, all electronic health records, all claims systems, all personal health records, and all integrated information used in the delivery of care across international boundaries.
- A coding model to improve the ability to manage the quality of care, compliance to care guidelines, and the collaboration of care that may be required between providers, facilities, and practitioners.
- The ability to have an international standard to expand and improve the options available for care to be delivered across the global continuum of care as the US becomes more multinational in its economy, culture, and governmental interactions.
- Most importantly, the process improvements from implementing a global diagnosis standard for coding will contribute to improved efficiencies in healthcare resulting in cost containment and the lowering of healthcare costs over time.

The ability to reach any form of Healthcare Reform will depend on the standardization, automation, and integration of protected health information. The movement to ICD-10 is a key component of this process. The industry compliance to Health Insurance Portability and Accountability (HIPAA) is based on the adoption of standard Code Sets and ICD-10 is the only standard that will be accepted as of October 1, 2014.

#### **Commercial General Liability Exception**

Commercial General Liability Additional Insured Endorsement Insurance requirements are waived for this vendor under this Agreement.

- Vendor is located outside California and does not travel onto County property.

#### **Business Automobile Insurance Exemption**

Business Automobile Liability Additional Insured Endorsement Insurance requirements are waived for this vendor under this Agreement. There is no risk or exposure regarding vehicles.

- Contractor does not travel onto County property with vehicles.

