ICD-10 Primer: Are You Ready?

HCCA

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A presentation can neither promise nor provide a complete review of the myriad of facts, issues, concerns and considerations that impact upon a particular topic. This presentation is general in scope, seeks to provide relevant background, and hopes to assist in the identification of pertinent issues and concerns. The information set forth in this outline is not intended to be, nor should it be construed or relied upon, as legal advice. Recipients of this information are encouraged to contact their legal counsel for advice and direction on specific matters of concern to them.
 Agenda

• General Overview of ICD-10 Structure

• Will Today’s Documentation Stand Up to ICD-10?

• Discussion of Implementation Planning
ICD-10 and Claim Form 5010

- Recent HIPAA regulations
  - ICD-10
  - Version 5010 HIPAA electronic transactions
  - HIPAA Administrative Simplification:
    - Modifications to Medical Data Code Set Standards to Adopt ICD-10-CM and ICD-10-PCS
      - Final Rule Published January 16, 2009
      - Names ICD-10-CM and ICD-10-PCS to replace ICD-9-CM Volumes 1, 2, and 3
    - Compliance date is October 1, 2013
      - Single implementation date for all users
      - ICD-9-CM will no longer be accepted
      - ICD-10-PCS does not replace CPT or HCPCS
Coding Systems (Current)

**Procedural Coding**

Level 1


- Coding system used to describe services and procedures by practitioners
- Produced, published and maintained by the AMA

Level 2

Health Care Financing Administration Common Procedure Coding System (HCPCS)

- CMS administers

**Diagnosis Coding**

- ICD-9-CM is the code set for medical diagnoses and hospital inpatient services.
- Use Volume 3 of ICD-9-CM for inpatient procedures, and use CPT for outpatient procedures.
ICD-10 and Claim Form 5010

• Health Insurance Reform: Modifications to the Health Insurance Portability and Accountability Act (HIPAA) Electronic Standards

• Replaces HIPAA ASCX12 version 4010 of electronic transactions with version 5010

• Compliance date is January 1, 2012
  • Only 5010 electronic transactions will be accepted after this date
  • Version 5010 must be implemented in order to report ICD-10 codes
### ICD-9-CM History

<table>
<thead>
<tr>
<th>Developed by the WHO</th>
<th>30 years old</th>
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<td>U.S. developed its clinical modification to ICD-9, including a procedure coding system (Volume 3)</td>
<td>Many sections are full, blocking expansion</td>
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<td>ICD-9-CM implemented in the U.S. in 1979</td>
<td>Not descriptive enough</td>
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<td>Codes are 3-5 characters in length</td>
<td>Not able to accurately reflect advances in medical knowledge or technology</td>
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<tr>
<td>All characters are numeric, except for E and V codes</td>
<td>Will not meet health care needs of the future</td>
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## ICD-10 Overview

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<th>ICD-10-CM and ICD-10-PCS Modifications</th>
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<td>Developed by the WHO in 1989 and released by the WHO in 1994</td>
<td>ICD-10-CM - codes expand from about 13,000 to 68,000</td>
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| U.S. implemented for mortality reporting on January, 1, 1999 | Codes are:  
  • Alphanumeric  
  • Expanded in length at 3-7 characters  
  • More specific |
| National Center for Health Statistics, Center for Disease Control and Prevention (NCHS) developed the U.S. clinical modification for diagnoses – ICD-10-CM | Benefits:  
  • Flexible, more specificity, improved ability to measure health care services, reflects advances in medicine and medical technology, allows greater expansion in code system |
ICD-10 Overview | ICD-10-CM and ICD-10-PCS Modifications
--- | ---
CMS developed a procedure code set – ICD-10-PCS
- First version released in 1998
- Replaces ICD-9-CM Volume 3
- No WHO procedure code set – unique to U.S.
- Only used for hospital inpatient coding
- Does not replace CPT/HCPCS in the outpatient settings | ICD-10-PCS
Total number of codes expands from about 4,000 to 72,000
Codes are:
- Alphanumeric
- 7 digits in length
Letters O and I are not used to avoid confusion with 0 and 1
Brief Comparison of ICD-10-CM with ICD-9-CM

• ICD-10-CM designed to:
  • Offer significant advantages over ICD-9-CM
  • Improvements in quality and usefulness of data
General Equivalence Mappings (GEMS)

- Developed as a tool to assist with converting ICD-9-CM to ICD-10-CM/PCS coding systems
- Not a replacement to learning ICD-10
- Contain all possible mappings between the ICD-9 and ICD-10 code sets
- Maps are bi-directional
• GEMs and Reimbursement Mappings designed to be used by all providers, payers, and data users

• Available on the CMS and CDC/NCHS website

• Ongoing updates and maintenance of the mappings
Many New Features in ICD-10-CM

Laterality (left, right, bilateral)

Examples:

• C50.511 – Malignant neoplasm of lower-outer quadrant of right female breast

• H16.013 – Central corneal ulcer, bilateral

• L89.012 – Pressure ulcer of right elbow, stage II
Many New Features in ICD-10-CM (continued)

Combination codes for certain conditions and common associated symptoms and manifestations

**Examples:**

- K57.21 – Diverticulitis of large intestine with perforation and abscess with bleeding

- E11.341 – Type 2 diabetes mellitus with severe nonproliferative diabetic retinopathy with macular edema

- I25.110 – Atherosclerotic heart disease of native coronary artery with unstable angina pectoris
Obstetric codes identify trimester instead of episode of care

Example:
- O26.02 – Excessive weight gain in pregnancy, second trimester
Many New Features in ICD-10-CM (continued)

A number of codes have been significantly expanded (e.g., injuries, diabetes, substance abuse, and postoperative complications)

Examples:

- E10.610 – Type 1 diabetes mellitus with diabetic neuropathic arthropathy
- F10.182 – Alcohol abuse with alcohol-induced sleep disorder
- T82.02xA – Displacement of heart valve prosthesis, initial encounter
Many New Features in ICD-10-CM (continued)

- Injuries are grouped by anatomical site rather than by type of injury.

- Category restructuring and code reorganization have occurred in a number of ICD-10-CM chapters, resulting in the classification of certain diseases and disorders that are different from ICD-9-CM.

- Certain diseases have been reclassified to different chapters or sections in order to reflect current medical knowledge.
Many New Features in ICD-10-CM (continued)

- **New code definitions** (e.g., definition of acute myocardial infarction is now 4 weeks rather than 8 weeks)

- The codes corresponding to ICD-9-CM V codes (Factors Influencing Health Status and Contact with Health Services) and E codes (External Causes of Injury and Poisoning) are incorporated into the main classification rather than separated into supplementary classifications as they were in ICD-9-CM
Medical Record Documentation/Detail

- ICD-10-CM
  - Numerous new features = enhanced documentation
  - Information specific
  - Appropriate diagnosis code selection

- Example of difference
  - ASTHMA
    - J45.21- Mild, intermediate with acute exacerbation
    - J45.41- Moderate, persistent, with acute exacerbation
    - J45.51- Severe, persistent, with acute exacerbation
**ICD-9-CM**

- Documentation: Patient presents with **asthma** that has acutely exacerbated. The physician documented acute asthma in the medical record and ordered a nebulizer treatment.

- ICD-9-CM: 493.92 – Asthma, unspecified, with (acute) exacerbation

**ICD-10-CM**

- Documentation: Patient presents with **severe persistent asthma** acutely exacerbated and ordered a nebulizer treatment.

- ICD-10-CM: J45.51 – Acute severe, persistent, with (acute) exacerbation
ICD-10-PCS

Key attributes used in the development of ICD-10-PCS

- Completeness
- Expandability
- Multiaxial
- Standardized Terminology
Medical and Surgical Section

- The seven characters for medical and surgical procedures have the following meaning:
  - Character 1 = Section
  - Character 2 = Body System
  - Character 3 = Root Operation
  - Character 4 = Body Part
  - Character 5 = Approach
  - Character 6 = Device
  - Character 7 = Qualifier
Example:

- **Right knee joint replacement = 0SRC0JZ**
- 0 = Medical and Surgical Section
- S = Lower Joints
- R = Replacement
- D = Knee Joint, Right
- 0 = Open
- J = Synthetic Substitute
- Z = No Qualifier
ICD-10-PCS (continued)

- Assess strengths and weaknesses in current documentation specific to procedures

- ICD-10/PCS is more comprehensive
  - Equates more closely with the vocabulary and practice of current medicine
  - More detailed and accurate classification of diseases
  - Leads to more efficient and effective data retrieval
Implementation Considerations

• Prior to ICD-10-CM/PCS use, must undergo system upgrades for HIPAA ASCX12 version 5010 for electric transactions

• Discussions:
  • With your practice management system vendor for system accommodation
  • With your clearinghouses or billing service

• Current transaction testing
  • Medicare and many Medicaid plans are currently accepting Version 5010 test transactions

• Health insurance payers – upgrades, timing, contract renewals, EDI agreements, etc.

• Compliance deadlines
Implementation Considerations (continued)

Obstacles

- Resistance to change
- Time to learn new system
- Many are implementing Electronic Medical Records (EMRs) or Electronic Health Records (EHRs)
- Added specificity in the medical record
Implementation Considerations (continued)

Implementation Costs

- Necessary training
- Productivity loss during transaction
- Returned claims due to errors or confusion
Implementation Considerations (continued)

Changes to Organizations

- Assessment, planning and team development
- Programming, impact analysis and initial training
- Coding education, payers assessments and testing
- Go-live, increased education, testing and payer readiness
- Follow-up education, system review, productivity assessments and resolution of payer issues
Numerous resources/websites/tools are available for reference:

- Centers for Medicare and Medicaid Services (CMS)
  ICD-10-CM Draft Guidelines; Alphabetic Index; Tabular List;
  Table of Drugs and Chemicals; GEM files
  [www.cms.hhs.gov/icd10](http://www.cms.hhs.gov/icd10)

- CMS Sponsored ICD-10 Teleconferences web page at

Resources/Websites

- Description of MS-DRG Conversion Project

- Annual updates of each system are posted on the ICD-10 website at [http://www.cms.gov/ICD10](http://www.cms.gov/ICD10)
Resources/Websites (continued)

- Forward and backward mappings Information on GEMs and their use – [http://www.cms.gov/ICD10](http://www.cms.gov/ICD10) (click on ICD-10-CM or ICD-10-PCS to find most recent GEMs)

- Central Version 5010 and D.0 web page on the CMS website [http://www.cms.gov/Versions5010andD0](http://www.cms.gov/Versions5010andD0)
Resources/Websites (continued)

- AHIMA – http://www.ahima.org/icd10/
Questions/Discussion