ICD-10: Just the Facts

Presented By:

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Learning Objectives

Following this presentation, attendees should be able to:

1. Explain the background of ICD-10.
2. Identify the differences between ICD-10 and ICD-9.
3. Discuss the implications of implementation of ICD-10.
4. Describe the effects ICD-10 will have on pharmacy providers.
Overview:

1) Background

2) ICD-9 vs. ICD-10

3) Benefits of ICD-10

4) “Rockin” the physician world

5) Challenges
Overview:

6) Effects on HME/pharmacy providers

7) Preparing for October 1, 2015

8) Stay informed
ICD-10 represents the International Classification of Diseases, 10th Edition, Clinical Modification (CM)/Procedure Coding System (PCS)

The ICD-10CM is the only applicable codes for DMEPOS providers

The ICD-10PCS are used for hospital claims for inpatient settings

Developed by the World Health Organization (WHO) in 1990

Other countries started to adapt to ICD-10 in 1994, but the US only partially adopted I-10 in 1999 for mortality reporting

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What ICD-10 Is Not....

A software update:
Software will need to be updated to accommodate both ICD-9 and ICD-10 and have a listing/dropdown functionality of ICD-10 codes to choose

Something only “billing/coders” have to worry about:
ICD-10 affects many aspects of your workflow – intake, medical documentation, and billing
# ICD-9 vs ICD-10

<table>
<thead>
<tr>
<th>CHARACTERISTICS</th>
<th>ICD-9 (vols. 1&amp;2)</th>
<th>ICD – 10 CM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field Length</td>
<td>3-5 characters</td>
<td>3-7 characters</td>
</tr>
<tr>
<td>Available Codes</td>
<td>Approximately 14,000 codes</td>
<td>Approximately 69,000 codes</td>
</tr>
<tr>
<td>Code composition (numeric or alpha)</td>
<td>Digit 1 = alpha or numeric</td>
<td>Digit 1 = alpha</td>
</tr>
<tr>
<td></td>
<td>Digits 2-5 = numeric</td>
<td>Digit 2 = numeric</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Digits 3-7 = alpha or numeric</td>
</tr>
<tr>
<td>Available space for new codes</td>
<td>Limited</td>
<td>Flexible</td>
</tr>
<tr>
<td>Overall detail embedded within codes</td>
<td>Limited detail in many conditions</td>
<td>Generally more specific (allows description of comorbidities, manifestations, etiology/causation, complications, detailed anatomical location, sequelae (aftereffects of a disease, condition, or injury such as scar formation after a burn), degree of functional impairment, biologic and chemical agents, phase/stage, lymph node involvement, lateralization and localization, procedure or implant related, age related, or joint involvement)</td>
</tr>
<tr>
<td>Laterality</td>
<td>Does not identify right versus left</td>
<td>Often identifies right versus left</td>
</tr>
<tr>
<td>Sample code</td>
<td>81315, Open fracture of head of radius</td>
<td>S52122C, Displaced fracture of head of left radius, initial encounter for open fracture type IIIA, IIIB, or IIIC</td>
</tr>
<tr>
<td>ICD - 9</td>
<td>ICD 10</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>81315, Open fracture of head of radius</td>
<td>S521122C, Displaced fracture of head of left radius, initial encounter for open fracture type IIIA, IIIB, IIIC</td>
<td></td>
</tr>
<tr>
<td>250.01, Diabetes mellitus without mention of complication, type I (juvenile type) not stated as uncontrolled</td>
<td>E10.9, Diabetes, diabetic (mellitus) (sugar) type 1</td>
<td></td>
</tr>
<tr>
<td>518.81, Acute respiratory failure</td>
<td>J96.00/J96.90, Acute respiratory failure, unspecified whether with hypoxia or hypercapnia/Respiratory failure, unspecified, unspecified whether with hypoxia or hypercapnia</td>
<td></td>
</tr>
<tr>
<td>466.0, Acute bronchitis</td>
<td>J20.9, Acute bronchitis</td>
<td></td>
</tr>
<tr>
<td>428.0, Congestive heart failure, unspecified</td>
<td>I50.9, Congestive heart failure, unspecified</td>
<td></td>
</tr>
</tbody>
</table>
ICD-10 –CM Coding Examples

Type I diabetes mellitus with diabetic nephropathy

Step 1

Look up term in the Alphabetic Index:

Diabetes, diabetic (mellitus) (sugar) E11.9
type 1 E10.9
with
nephropathy E10.21
ICD-10 –CM Coding Examples

Type I diabetes mellitus with diabetic nephropathy (continued)

Step 2

Verify code in Tabular

E10 Type 1 diabetes mellitus
  E10.2 Type 1 diabetes mellitus with kidney complications
  E10.21 Type 1 diabetes mellitus with diabetic nephropathy
       Type 1 diabetes mellitus with intercapillary glomerulosclerosis
       Type 1 diabetes mellitus with intracapillary glomerulonephrosis
       Type 1 diabetes mellitus with Kimmelstiel-Wilson disease

Assign code: E10.21
ICD-10 –CM Coding Examples

Chronic obstructive pulmonary disease

Step 1

Look up term in the Alphabetic Index:

Disease, diseased (see also Syndrome) pulmonary – see also Disease, lung chronic obstructive J44.9 with acute bronchitis J44.0 exacerbation (acute) J44.1 lower respiratory infection (acute) J44.0
ICD-10 –CM Coding Examples

Chronic obstructive pulmonary disease (continued)

Step 2

Verify code in Tabular:
J44 Other chronic obstructive pulmonary disease
   Includes: Asthma with chronic obstructive pulmonary disease
   Chronic asthmatic (obstructive bronchitis
   Chronic bronchitis with airways obstruction
   Chronic bronchitis with emphysema
   Chronic emphysematous bronchitis
   Chronic obstructive asthma
   Chronic obstructive bronchitis
   Chronic obstructive tracheobronchitis
ICD-10–CM Coding Examples

Chronic obstructive pulmonary disease (continued)

Step 2 (continued)

J44.9 Chronic obstructive pulmonary disease unspecified
    Chronic obstructive airway disease NOS
    Chronic obstructive lung disease NOS

Assign code: J44.9
Benefits of ICD-10

- Streamline payment operations by allowing for greater automation and fewer payer-physician inquiries, decreasing delays and inappropriate denials;

- Provide more detailed data to better analyze disease patterns and track and respond to public health outbreaks;

- The United States will join the rest of the developed world in using ICD-10, and will be able to compare public health trends and pandemics across orders;
Benefits of ICD-10

- Provide opportunities to develop and implement new pricing and reimbursement structures including fee schedules and hospital and ancillary pricing scenarios based on greater diagnostic specificity;

- Provide payers, program integrity contractors, and oversight agencies with improved methods for detecting fraud;

- Provide more accurate information to support the development and implementation of important health care policies nationally and regionally.
Benefits of ICD-10

ICD-10 codes refine and improve operational capabilities and processing, including:

- Detailed health reporting and analytics: cost, utilization, and outcomes;
- Detailed information on condition, severity, comorbidities, complications, and location;
- Expanded coding flexibility by increasing code length to seven characters; and
- Improved operational processes across health care industry by classifying detail within codes to accurately process payments and reimbursements.
ICD-10 Affected Entities

All HIPAA covered entities must transition to ICD-10

An exception applies to certain designated HIPAA exempt organizations:

- Worker’s Comp
- Auto/Accident
Rocking’ the Physician World

- Physicians are used to using the ‘unspecified’ codes with ICD-9 and believe that they can utilize the “unspecified codes in ICD-10. The challenge is that in 2-3 years when physicians review their severity and risk scores they will be in bad shape, because they won’t have the specificity in their codes to justify higher levels and better reimbursement” Journal of AHIMA

- Surveys and studies found that greater than 50% of the current physician documentation cannot be coded to the appropriate level of specificity with the ICD-10CM

- Physicians will now have to support their diagnosis codes in more detail through their charting efforts

- Lack of appropriate documentation in the charts to justify the ICD-10CM code used for billing will lead to recoupment in case of an audit

William Blair & Company
2011 MGMA Annual Conference
ICD-10 codes report detailed information about the patient’s condition and Coders for physicians can’t assign detailed codes without the information being documented in the EHR/chart

For most physicians the biggest challenge will be learning what needs to be documented so their coder can assign the appropriate ICDCM-10 code

Physician ‘practices may be in for significant practice disruption for the first 3-6months of adoption and sustainability enduring at least a 15% increase in documentation time.’

William Blair & Company
2011 MGMA Annual Conference
Documentation of the status of the patient’s disease in the medical record is essential:

- Promotes the selection of the correct code;
- Supports medical necessity;
- Provides clear communication;
- Protects the claim in an audit
Challenges

- Most if not all information/training on ICD-10 is focused on physicians and hospitals; there is not much guidance for HME/pharmacy providers.

- Budgeting for slow cash flow is hard due to the unanswered questions from a billing and software implementation standpoint.

- Some EHR (Electronic Health Record) systems lead physicians to believe that they can easily convert ICD-9 to ICD-10.

- Minimal physician buy-in or participation with the expectation that it is “business as usual.”

- Lack of knowledge of the impact and ramifications that may/will/definitely occur.
Effects on HME/Pharmacy Providers

ICD-9 codes can be used on claims with dates of service (DOS) September 30, 2015 and prior

ICD-10 codes will be needed on claims with DOS October 1, 2015 and forward
Effects on HME/Pharmacy Providers

Unspecified Codes
The ICD-9 coding system allows for the use of many unspecified codes. Many of the ICD-9 codes providers have in their systems are these unspecified codes. This will lead to challenges with the advent of ICD-10. The use of the unspecified codes will be dramatically reduced as the purpose of using ICD-10 is to gain more specificity for data gathering and trending data regarding the conditions and health of people around the globe.

➤ Each healthcare encounter should be coded to the level of certainty known for that encounter
Effects on HME/Pharmacy Providers

- Unspecified codes should be reported when they most accurately reflect what is known about the patient’s condition at the time of that particular encounter.

- When sufficient clinical information isn’t known or available about a particular health condition to assign a more specific code, it is acceptable for the physician to report the appropriate “unspecified” code.

- It would be inappropriate to select a specific code that is not supported by the medical record documentation or conduct a medically unnecessary diagnostic testing in order to determine a more specific code.

Providers need chart notes to prove the medical necessity of the items provided, the physician needs to have quality of the clinical data from the physician to support the medical necessity of the code they are using to
Planning Ahead for Pharmacy Providers

➢ Identify a champion of ICD-10 within their organization.

➢ In August 2015, providers should run a list of patients who will continue renting or will be up for re-supply with DOS of 10/1/2015 and forward

➢ Pharmacy providers should contact physicians for the new ICD-10 code for the patients so that you can update the system.
Planning Ahead for Pharmacy Providers

- Software systems should allow for the ICD-9 code to be used for billing/re-billing claims with DOS 9/30/2015 and prior.

- Providers should enter the new ICD-10 code for the DOS 10/1/2015 and forward.

- Pharmacy intake, medical documentation and billing will need to understand the nuances of ICD-10 codes so they can ensure that they have the correct code from the referral for billing purposes.

- There is no requirement that a new detailed written order or CMN will need to be received due to the ICD-10 transition.

- Stay informed.
Stay Informed

➢ Watch for ListServes from Medicare Contractors with updated information in the coming months;

➢ Review updated MLN Matters articles via ListServe or by visiting the CMS website. www.cms.gov;

➢ Periodically visit the CMS website to view updated presentations and resources on ICD-10 implementation;

➢ Attend future webinars and presentations on ICD-10 implementation and updates.
Resources

American Health Information Management Association (AHIMA)  www.ahima.org

www.cms.gov/icd10
www.cms.gov/ehrincentiveprograms

2014 ICD-10-CM and GEMS


***Please note that the CMS GEMS are the only official translation mappings. All mapping tools should be viewed as approximations and no final code assignment should ever be performed from the GEMS or any other mapping tool.

Myths and Facts

Small – Medium Practice Handbook

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Questions
Thank You for Your Time

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