



## Transitioning from ICD-9 to ICD-10 Code Sets

### Overview

ICD-9 is the current medical coding system used for diagnosis and inpatient procedures required under the Health Insurance Portability and Accountability Act (HIPAA). The federal government has mandated a transition from the outdated and limited ICD-9 codes to ICD-10 codes for all HIPAA-covered entities, including but not limited to providers, payers, vendors and business associates participating in Medicare and Medicaid service delivery.

**The federally mandated compliance date for the transition to ICD-10 is October 1, 2014.** ICD-10 will have a substantial impact on our national and statewide health care industry. In addition to learning the new codes and their increased specificity requirements, providers' business processes and IT systems will require the necessary accommodation for both ICD-9 and ICD-10 code sets. ICD-10 will have more than 155,000 codes in its first annual release – almost 10 times the number of codes used in ICD-9.

### Critical Imperative

ICD-10 codes must be used for all applicable medical claims for services rendered on or after October 1, 2014. If an ICD-9 code is submitted for a service rendered on or after that date, the claim will not be processed or paid under federal law. If Georgia's health care providers are not ready for this transition to ICD-10, their financial stability may be negatively affected. The Department of Community Health (DCH) and Georgia Medicaid are on track for this mandated compliance.

### Transitioning to ICD-10 Is Mandatory

ICD-10-CM diagnoses codes must be used for provider claims in every health care setting. ICD-10-PCS procedure codes must be used for inpatient hospital procedure claims. *(Note: CPT and HCPCS codes will remain in force.)*

Risks of ICD-10 Non-Compliance	Rewards of ICD-10 Compliance
<b>Financial</b> – Incomplete, incorrect claims will not be paid; revenue shortfalls will occur; credit worthiness may suffer.	<b>Financial</b> – Claims will be paid; cash flow and credit worthiness will continue.
<b>Administrative</b> – Claims will be rejected or denied if incorrect or incomplete; coding and billing backlogs will occur; issue resolution will create further delays; Prior Authorizations and Medical Reviews will be delayed.	<b>Administrative</b> – Increased specificity in clinical coding can lead to more accurate and timely coding and reimbursements; efficiencies will be gained since attachments may not be necessary to explain the patient's condition.
<b>Regulatory</b> – Providers may also incur penalties for non-compliance and payer audit issues.	<b>Patient Care</b> – Providers will be able to make more informed decisions to deliver disease and care management with better health outcomes.
<b>Patient Care</b> – Provider decisions about patient care may be based on inaccurate or incomplete data.	<b>Fraud and Abuse</b> – Coding specificity will allow for more effective detection, investigation and prevention of potential fraud or abuse.
	<b>Public Health</b> – More and better data and analyses of disease patterns will be available to help protect the public.

# FACT SHEET



GEORGIA DEPARTMENT  
OF COMMUNITY HEALTH

## An Overview of Transitioning from ICD-9 to ICD-10 Code Sets

### Responsibilities of Transitioning to ICD-10

Providers and trading partners are responsible for submitting clean claims (accurate, complete and properly coded) in a timely manner to DCH for processing and payment. The department's transition is underway with clinical mapping, a review of policies and procedures, and remediation of the Georgia Medicaid Management Information System (GAMMIS). Internal testing is underway and external testing with providers and trading partners will begin in Q1 of 2014. An extensive communications outreach initiative to providers and trading partners is ongoing and will continue through November 2014.

**For More Information,** visit [www.dch.georgia.gov/icd-10](http://www.dch.georgia.gov/icd-10).