



ICD-10 Overview

The 411 on ICD-10



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Mission

We will provide Georgians with access to affordable, quality health care through effective planning, purchasing and oversight.

We are dedicated to A Healthy Georgia.

Topics for Discussion

- **ICD-10 Overview**
 - Why ICD-10 matters
 - Who will be affected?
 - A closer look, code examples, specialty areas
- **Compliance**
 - Risks of non-compliance
 - Rewards of compliance
- **ICD-10's impact on your practice**
 - Training is key for everyone
 - Roles and responsibilities
 - Internal, External
 - Your role, training and resources
- **DCH – GA Medicaid transition and testing**
- **Helpful resources**
- **Q&A**



About ICD-10

The WHO (World Health Organization) owns and publishes ICD (International Classification of Diseases), which is used worldwide for morbidity and mortality reporting.

- **Moving from 9 to 10** – US is last industrialized nation to adopt ICD-10
- **HIPAA-covered entities** – Health care providers, payers, clearinghouses, billing services and others must transition to ICD-10
- **ICD-10 pros and cons** – discussed widely within health care community since 2009
- **ICD-10-CM and ICD-10-PCS code sets**
 - Replaces ICD-9-CM (Volumes 1, 2, and 3)
 - Total of 155,000 codes BUT only some used by providers
- **Mandatory compliance date – October 1, 2014**
 - Reminder 5010 transaction standards, required prerequisite
 - IT Systems must accommodate BOTH ICD-9 and ICD-10 codes



More about ICD-10

ICD-10

Mandatory Compliance Date

October 1, 2014

Why is the transition necessary?

- ICD-9 code sets are outdated, limited and not expandable
- ICD-9 cannot accommodate current needs nor future advances in medical technology and knowledge
- ICD-10 code sets use current medical terminology and will allow for advances in medical technology and knowledge
- ICD-10 uses up to 7 characters (vs. 3 to 5 in ICD-9)
- ICD-10 allows for greater detail in diagnoses and treatments

Why ICD-10 Matters

- ICD-10 **advances health care** and the implementation of e-Health initiatives
- ICD-10 **captures advances in medicine** and medical technology
- ICD-10 **improves data** for quality reporting
- ICD-10 **improves public health** research, reporting and surveillance



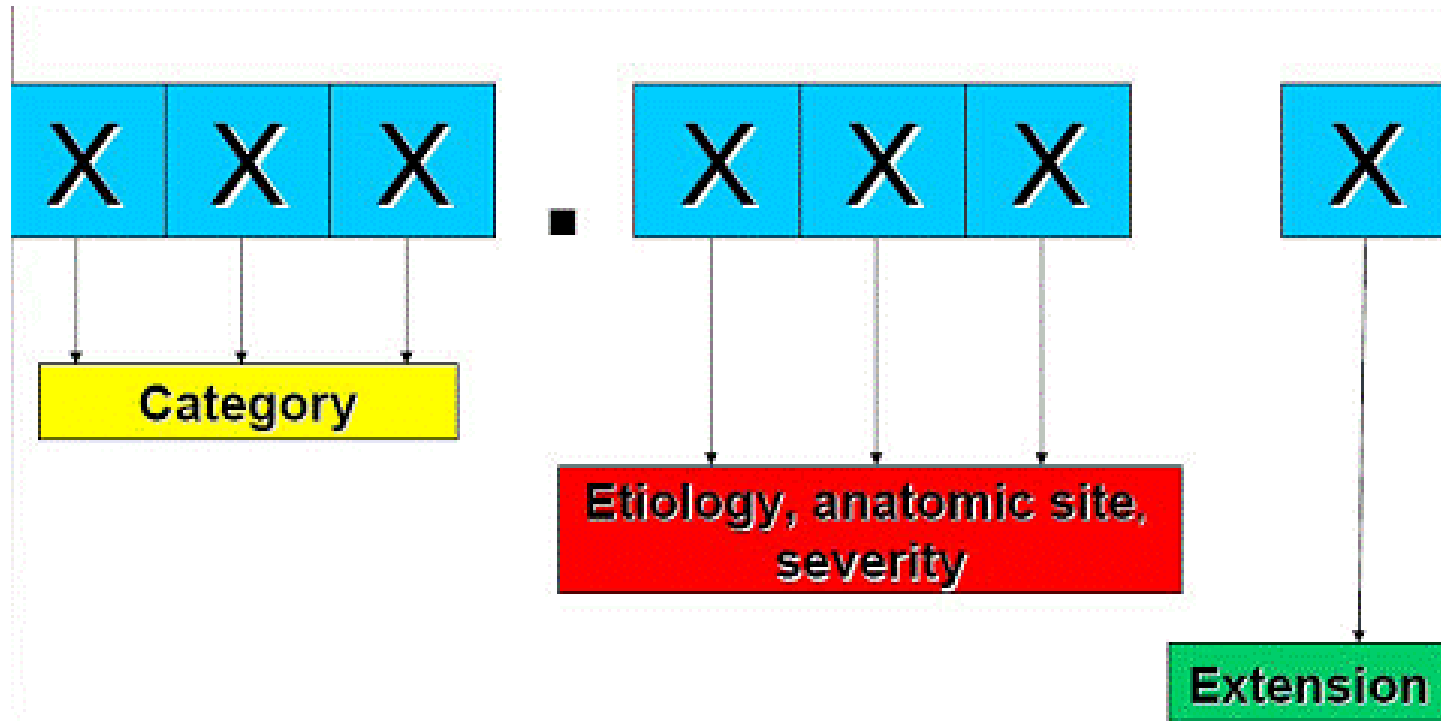
ICD-10-CM: A Closer Look

- ICD-10-CM is a revision to the ICD-9-CM system used by physicians and other health care providers to classify and code all diagnoses, symptoms and procedures.
- ICD-10-CM uses unique alphanumeric codes to identify known diseases and other health problems.
- The ICD-10-CM revision includes more than 68,000 diagnostic codes, compared to 13,000 in ICD-9-CM.
- ICD-10-CM includes twice as many categories and introduces alphanumeric category classifications for the first time.

ICD-10-CM: A Closer Look

- **CM = Clinical Modification for diagnoses**
- diagnosis code set replacing ICD-9-CM Volumes 1 and 2
- used to report diagnoses in all clinical settings
- ICD-10-CM is 3 to 7 alpha-numeric characters
- ICD-9-CM (Vols 1, 2) is 3 to 5 characters

ICD-10-CM Format



ICD-9 to ICD-10 Crosswalk Examples

ICD-9-CM-Diagnosis Codes

- 725 Polymyalgia Rheumatica →
- 714.0 Rheumatoid Arthritis →

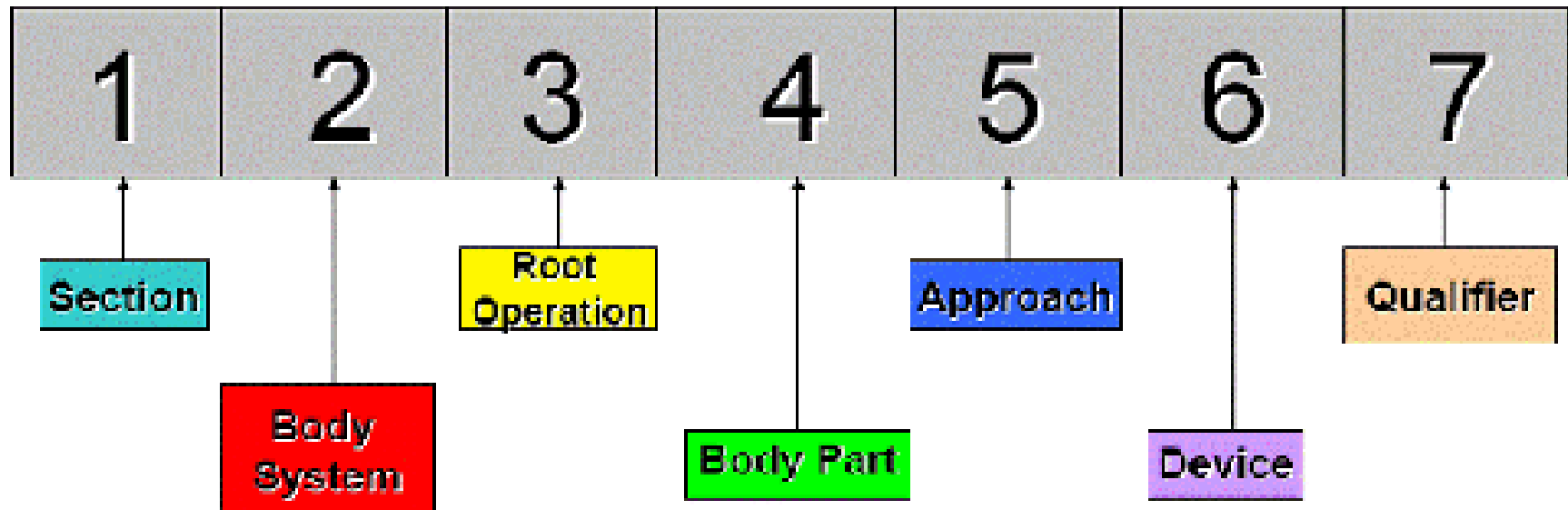
ICD-10-CM-Diagnosis Codes

- M35.3A Polymyalgia Rheumatica
- M05.40 Rheumatoid myopathy with RA unspecified site
M05.41 [1,2,9] Rheumatoid myopathy with RA, shoulder
M05.42 [1,2,9] Rheumatoid myopathy with RA, elbow
M05.43 [1,2,9] Rheumatoid myopathy with RA, wrist
M05.44 [1,2,9] Rheumatoid myopathy with RA, hand
M05.45 [1,2,9] Rheumatoid myopathy with RA, hip.....add'l codes as well

ICD-10-PCS: A Closer Look

- ICD-10-PCS is a system of medical classification used for procedural codes that track various health interventions taken by medical professionals.
 - **PCS = Procedure Coding System for procedures**
 - procedure code set replacing ICD-9-CM Volume 3
 - used to report hospital inpatient procedures only
 - ICD-10-PCS is 7 alpha-numeric characters (all required)
 - ICD-9-CM (Vol 3) is 3 to 4 characters

ICD-10-PCS Format



ICD-10-PCS: Characters

- **Section** - relates to type of procedure
- **Body system** - refers to general body system
- **Root operation** - specifies objective of procedure
- **Body part** - refers to specific part of body system on which procedure is being performed
- **Approach** - technique used to reach the site of the procedure
- **Device** - whether any device was used and remained at the end of the procedure (e.g., synthetic substitute)
- **Qualifier** - contains unique values for individual procedures as needed

ICD-10-PCS Character Coding Example

- Coronary artery bypass graft of three coronary arteries (using autogenous saphenous vein)
 - Section: Med/Surg (0)
 - Body system: Heart and Great Vessels (2)
 - Root operation: Bypass (1)
 - Body part: Coronary artery, three sites (2)
 - Approach: Open (0)
 - Device: Autologous venous tissue (9)
 - Qualifier: Aorta (W)
 - *ICD-10 Code:021209W*

ICD-9 to ICD-10 Crosswalk Examples

ICD-9-CM-Procedure Codes

- 3–4 digits
- All digits are numeric; and
- Decimal is after second digit.
- Examples
- 43.5 – Partial gastrectomy with anastomosis to esophagus; and
- 44.42 – Suture of duodenal ulcer site

ICD-10-PCS-Procedure Codes

- 7 digits
- Each digit is either alpha or numeric (alpha digits are not case sensitive and letters O and I are not used to avoid confusion with numbers 0 and 1); and
- No decimal
- Examples
- 0FB03ZX – Excision of liver, percutaneous approach, diagnostic; and
- 0DQ10ZZ – Repair upper esophagus, open approach

ICD-10: Terminology

- **Convolutated Codes**
 - Defined as any ICD-9 code that does not map directly to an ICD-10 code
 - Some specialties will encounter this...two examples...
 - Infectious Disease
 - Emergency Medicine
- **Rejected Claims**
 - Rejected by the payer due to a misunderstanding of the new codes, need for additional information, lack of medical necessity, etc.
- **Improper Claims**
 - Deliberately miscoded in an attempt to gain undue reimbursement
 - *The ICD-10 coding system should make it harder to submit improper claims and easier for payers to find them*

Who will be affected?

- Any entity covered by Health Insurance Portability Accountability Act (HIPAA)
 - Healthcare providers across continuum of care
 - Payers including Medicaid and Medicare
 - Clearinghouses
 - Third-party billing services
- Some non-HIPAA covered entities that use ICD-9 codes
 - Workers' compensation programs
 - Life insurance companies
- CPT coding for outpatient procedures is not affected by the ICD-10 transition

Transitioning to ICD-10

- **Providers**
 - Develop an implementation strategy that includes an assessment of the impact on your organization, a detailed timeline, and budget.
 - Check with your billing service, clearinghouse, or practice management software vendor about their compliance plans.
 - Plan for medical records/coding, clinical, IT, and finance staff to coordinate on ICD-10 transition efforts.
- **Payers**
 - Review payment policies since the transition to ICD-10 will involve new coding rules.
 - Ask your software vendors about their readiness plans and timelines for product development, testing, availability, and training for ICD-10.
 - You should have an implementation plan and transition budget in place.
- **Software vendors, clearinghouses, and third-party billing services**
 - Work with customers to install and test ICD-10 ready products.
 - Take a proactive role in assisting with the transition so your customers can get their claims paid. Products and services will be obsolete if steps are not taken to prepare.



Provider Transition Preparation

- **Preparing your practice**
 - Establish a transition team or ICD-10 project coordinator.
 - Develop a plan for making the transition to ICD-10.
 - Include a timeline that identifies tasks to be completed, crucial milestones/relationships, task owners, resources needed, and estimated start and end dates.
 - Determine how ICD-10 will affect your organization.
 - Review how ICD-10 will affect clinical documentation requirements and electronic health record (EHR) systems.
 - Communicate the plan, timeline, and new system changes and processes to your organization.

Risk of Non-compliance with ICD-10



- **Financial**
 - Payers cannot pay if coding is incomplete, incorrect
 - Cash flow delays
 - Weakened financial statements/credit worthiness for the business
- **Administrative**
 - Delays in processing Prior Authorizations and Medical Reviews
 - Coding backlogs...billing backlogs
- **Regulatory**
 - Compliance issues
 - Payer audit issues
- **Patient Care**
 - Decisions may be based on inaccurate, incomplete data

Rewards of Compliance with ICD-10



- **Financial**

- Continuing cash flows with claims processed and paid
- Financial statement stability, credit worthy

- **Administrative**

- Increasing efficiencies in administrative, billing and reimbursement processes
- Reducing coding errors due to increased specificity required

- **Patient Care**

- Improving patient care management
- Enhancing performance monitoring and research applications

- **IT Systems**

- Increasing health care IT system ROI and value, productivity increases

- **Fraud & Abuse**

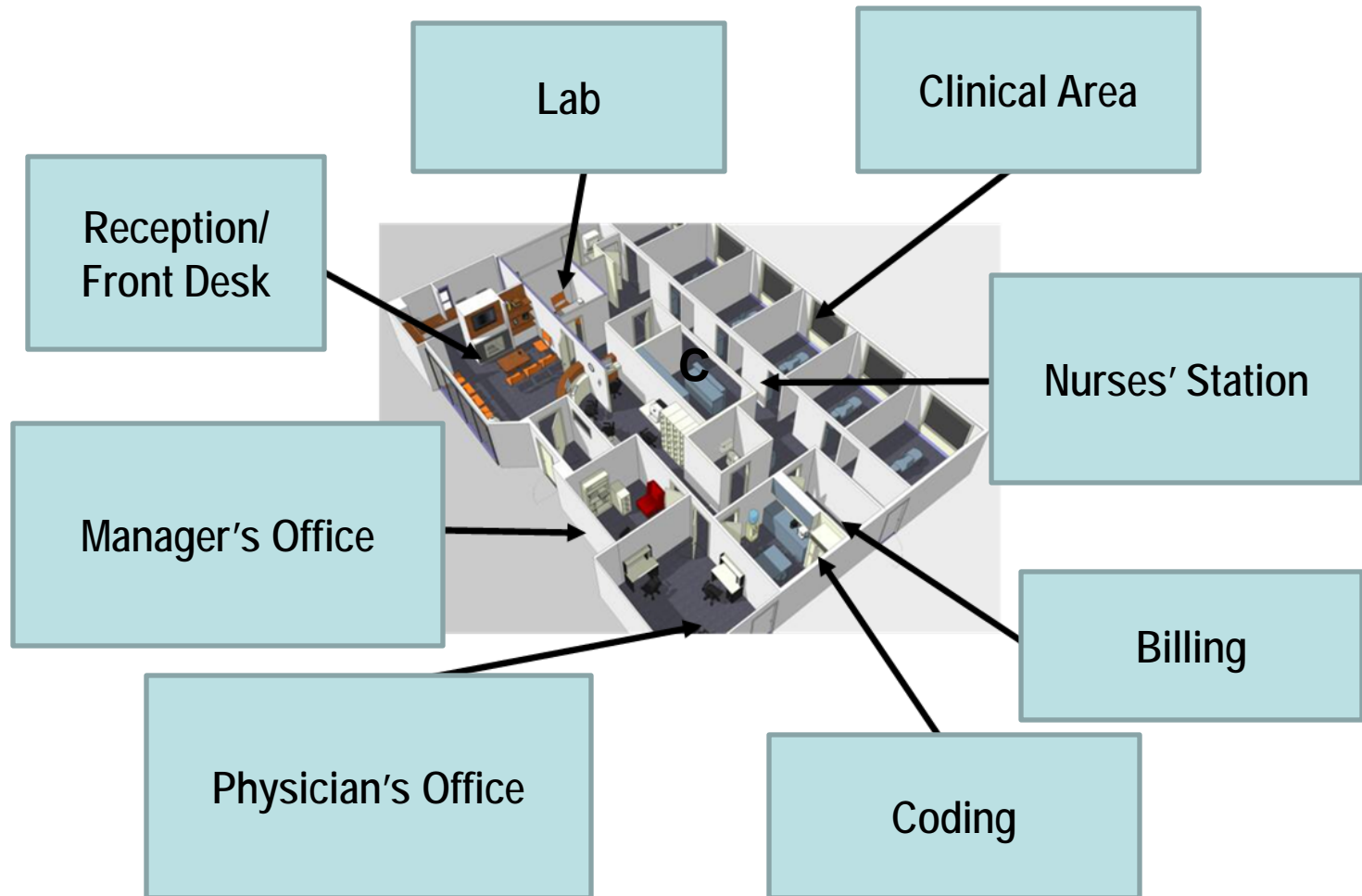
- Increasing capability to prevent and detect health care fraud and abuse

ICD-10's Impact On Providers

- **Business Processes Will Need to Change**
 - Impacts all areas of the medical organization/practice: people, processes, forms
 - Increases specificity needed in documentation by Physicians/Providers
 - Office assessment is key
- **IT Systems Will Need to be Upgraded**
 - EHR, Billing, Practice Management Systems and more impacted
 - Systems must accommodate ICD-9 and ICD-10 codes
- **ICD-10 is Service-Date Driven**
 - For services rendered on or after October 1, 2014
 - All claims must use ICD-10 codes
 - All claims using ICD-9 codes will NOT be accepted
 - For services rendered before October 1, 2014
 - All claims must use ICD-9 codes
- **5010 Transaction Standards Compliance – July 1, 2012**
 - Prerequisite for ICD-10



ICD-10 Impacts ALL Areas of Your Practice



Internal Roles & Responsibilities

- **Reception/Front Desk Personnel**
 - Implement new health plan/payer or privacy policies, new processes, new forms for patients
- **Clinical Area/Nurses' Station Personnel**
 - Implement new health plan/payer policies, new forms, new superbills
 - Increase coding specificity knowledge and input from physicians for documentation
- **Lab, Imaging Center Personnel**
 - Process new superbills
 - Increase coding specificity to complete orders correctly
- **Practice Manager's Office Personnel**
 - Review and update office policies and procedures tied to diagnosis or procedure codes
 - Evaluate and amend all vendor and payer contracts as applicable
 - Prepare budgets for all ICD-10 related changes (software, training, new forms, etc.)
 - Develop and implement an ICD-10 training plan for all staff members
- **Coding & Billing Personnel** (follows)
- **Physicians, Clinicians** (follows)



Roles & Responsibilities for ICD-10

- **Internal**

- Staff (Administrative)
- Staff (Clinical)
- Physicians, Clinicians, Other Providers
- Coders & Billers

- **External**

- Trading Partners (Clearinghouses, Billing Firms, etc.)
- IT Software and Systems Vendors (Billing, Practice Management, EHR, etc.)
- Medical Services (Labs, Imaging, etc.)
- Coders & Billers

ICD-10 Training is Key



Everyone in your practice will need to be trained.

Their role and responsibility will determine the level of training needed.



Coding & Billing: Crosswalk Codes

- **Develop your ICD-9 list**
 - Work with your clinical and administrative staff to develop a list of places where they encounter ICD-9 codes in their daily routines
- **Review your ICD-9 list**
 - This “master list” will help you assess how and where you need to make changes to be ready for ICD-10
- **Crosswalk your codes**
 - On your own
 - Manually (using the new ICD-10 Code book)
 - CMS’ GEMs Tools
 - ICD-10 transition toolkits, conversion tools (freeware)
 - With your software vendors
 - CDI software and more

Coding & Billing: Training

- **Acquire training in ICD-10 coding**
 - Specialty practitioners and their staffs should look to their specialty associations, societies for ICD-10 guidance and training
 - Intensive ICD-10 training six-to-nine months before compliance date is recommended
 - More detailed training in a given specialty is also recommended
 - Coder and Physician training should be monitored for learning effectiveness
 - ICD-10 resources and training materials are available through CMS, professional associations and societies, and software/system vendors
 - *Visit www.cms.gov/ICD10 regularly to access the latest information on training opportunities*

Coder Certification

- **Coder Requirements**

- Anyone responsible for a practice's coding faculty, health information management or other components of ICD-10 implementation must prepare well in advance for code set training
- Certified ICD-9-CM coders should be able to make the transition to ICD-10-CM
- Certified criteria varies by the certification entity (i.e. RHIA, RHIT, CCA, CCS, CCS-P, CHDA, CHPS, CDIP, etc.)

External Roles & Responsibilities

- **Vendors**
 - IT Systems/Software Vendors
 - Billing Firms, Clearinghouses
 - Medical Practice/Training Consultancies
- **Payers**
 - Commercial Health Plans
 - Government Health Plans

Physician – Provider Responsibilities

- **Recognize the importance of your role!**
 - Physicians-Providers determine diagnoses and procedures rendered in patient encounters
 - Coders and billers cannot add the specificity, documentation needed without your direct input/approval
 - **Pros of a Successful ICD-10 Transition**
 - Speeds claims processing and continues cash flow
 - Drives more effective and efficient patient care by providing higher-quality data
 - Supports collaboration and insight with other practitioners that the patient may encounter
 - Improves clinical decision support and increases patient safety
 - **Cons of an Unsuccessful ICD-10 Transition**
 - Delays claims; increases denied, rejected, suspended claims
 - Impacts negatively on revenue, cash flow, financial statements/credit worthiness
 - High level re-work due to erroneous or incomplete code selection, lack of specificity

Sources: www.aaos.org/news



GEORGIA DEPARTMENT
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Vendor Responsibilities

- **Medical Practice/Training Consultancies**
 - Clinical documentation improvement (CDI)
 - Coder and clinician preparation
 - Training availability, methodologies, costs, timing
 - Testing and performance measurement

Payer Responsibilities

- **Commercial, Government Health Plan Payers**
 - Policy changes (if applicable)
 - Processing of Prior Authorizations, Medical Reviews
 - System changes (if applicable)
 - Testing criteria and timelines

Training Resources



American Academy
of Pediatrics



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DCH & GA Medicaid Transition Status

- **DCH is on track for October 1, 2014**
 - Phases of Implementation within DCH
 - Awareness, Assessment, Remediation, Testing, Transition
 - Areas of Impact within DCH/Georgia Medicaid
 - Coverage and payment determinations, policies, plan structure
 - Statistical reporting, actuarial projections, fraud and abuse monitoring, quality measurements
 - Georgia Medicaid Management Information System (GAMMIS) remediation

DCH & ICD-10 Testing

- **Testing with Georgia Medicaid**
 - Trading Partners and Billing Services
 - 4th Quarter 2013
 - **Providers**
 - 1st Quarter 2014
 - To become a Beta Test Site, e-mail your interest to icd10project@dch.ga.gov

Key Messages from Today's Session

- **The key facts about ICD-10**
 - Why ICD-10 matters
 - Advancing e-health initiatives that will help to improve patient care outcomes
 - Coding can be one-to-one or most likely one-to-many
 - Specificity and documentation is vital
- **Compliance – October 1, 2014**
 - The risks of non-compliance
 - The rewards of compliance
- **ICD-10's impact on your practice**
 - Roles and responsibilities
 - Your role and training
- **Testing with DCH**
 - Starting in Q4 2013 (Trading Partners); Starting in Q1 2014 (Providers)
- **Helpful Resources**
 - CMS, DCH, Professional Organizations



ICD-10 FAQs

- **When is the ICD-10 compliance deadline?**

The ICD-10 deadline is **October 1, 2014**.

- **What does ICD-10 compliance mean?**

ICD-10 compliance means that a HIPAA-covered entity uses ICD-10 codes for health care services provided on or after October 1, 2014. ICD-9 diagnosis and inpatient procedure codes cannot be used for services provided on or after this date.

- **If I transition early to ICD-10, will CMS be able to process my claims?**

No. CMS and other payers will not be able to process claims using ICD-10 until the compliance date.



More ICD-10 FAQs

- **If I don't deal with Medicare or Medicaid claims, will I have to transition?**

All entities covered by HIPAA must use ICD-10 starting October 1, 2014. This includes health care providers and payers who process claims, regardless of whether the provider accepts Medicare or Medicaid as the payer. Any "cash only provider" who does **not** accept third-party payer reimbursement (i.e., from a commercial or government health plan) is not required to transition to ICD-10.

- **Will ICD-10 replace Current Procedural Terminology (CPT) coding?**

According to CMS, "There will be no impact on Current Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) codes. These codes should continue to be used for physician, outpatient, and ambulatory services. Physician claims for services provided to inpatient patients will continue to report CPT and HCPCS codes. Only ICD-10-CM, not ICD-10-PCS, will affect physicians".



More ICD-10 FAQs

- **Will I need to use both ICD-9 and ICD-10 codes during the transition?**

Most likely yes. Remember, the ICD-10 compliance date is service-date driven, i.e., services rendered before October 1, 2014, require ICD-9 codes and services rendered on/after October 1, 2014, require ICD-10 codes. *(Note: if in-patient hospital services are rendered during the mandated change from ICD-9 to ICD-10, then the discharge date determines which codes should be used.)* Practice management and billing systems (as well as your electronic health record systems) must be able to accommodate both ICD-9 and ICD-10 codes while all claims are being processed and paid. Promptly processing ICD-9 transactions as the transition date nears will help limit disruptions.

- **Additional ICD-10 FAQs and a Fact Sheet can be found on the DCH website and are being updated frequently: www.dch.georgia.gov/icd-10**



ICD-10 Resources

- Centers for Medicare & Medicaid Services (CMS)

CMS Overview

- <http://www.medicare.gov/Medicare-CHIP-Program-Information/By-Topics/Data-and-Systems/ICD-Coding/ICD-10-Final-Regulation-and-Training.html>
 - CMS ICD-10 Implementation Planning Guides/Checklist
<http://www.cms.gov/Medicare/Coding/ICD10/ProviderResources.html>
 - HHS, CMS ICD-10 Final Rule <http://edocket.access.gpo.gov/2009/pdf/E9-743.pdf>
 - CMS Overview http://www.cms.gov/MedicareInfoTechArch/07_ICD-10TrainingSegments.asp
 - CMS, HHS Complete list of code sets for ICD-10-CM and ICD-10-PCS; Final Rule and Official ICD-10-CM Guidelines www.cms.hhs.gov/ICD10
 - Expert article-Transition to ICD-10: Getting Started
- World Health Organization (WHO) ICD-10 Page
 - <http://www.who.int/classifications/icd/en/>



More ICD-10 Resources

- DCH Resources
 - DCH Website for ICD-10 Webinars/Downloads
<http://dch.georgia.gov/it-events>
 - DCH ICD-10 FAQs & Fact Sheet
<http://dch.georgia.gov/icd-10>
 - DCH Provider Resources
<http://dch.georgia.gov/providers>
- HP Enterprise Services Statewide Workshops
 - Check Georgia <http://mmis.georgia.gov> for future ICD-10 workshops

Thank You!

- Join us as an ICD-10 **Beta Test Site**, e-mail us at:
 - icd10project@dch.ga.gov
- Join our mailing list at:
 - AskDCH@dch.ga.gov for ICD-10 events and updates
- We welcome your questions and comments at:
 - icd10project@dch.ga.gov

