ICD-10 Implementation
Get Ready!

ICD-10 Regional Awareness & Training

INTRODUCTIONS

MDCH Provider Outreach Awareness and Training Team

• Stephen Brimley
• Michelle Miles
ICD-10 Awareness & Training Agenda

- Definition of ICD-10
- Regulatory Requirements
- Benefits of ICD-10 Implementation
- Provider Impacts
- How to “Get Ready”

ICD-10 General Overview

Michelle Miles, Provider Liaison
Michigan Dept. of Community Health
External Lead, Awareness & Training Team
General Overview Agenda

- WHO, What & Why
- CHANGES with Implementation
- BENEFITS of ICD-10 Implementation

Introduction: What is ICD-10?

International Classification of Diseases
Background of ICD

- Established by World Health Organization (WHO)
- Medical Code Set Defining:
  - Morbidity and Mortality Data
    - Diseases
    - Signs & Symptoms
    - Abnormal Findings
    - Complaints
    - Social Circumstances
    - Ext. Causes of injury or Ds
Introduction: What is ICD-10?
International Classification of Diseases

Background of ICD/Definition of ICD-09

- 9th Revision of ICD Medical Code Sets
- Originally published in 1977 by WHO
- Tracking of diseases ONLY
- ICD-9 CM:
  - Clinical Modification approved for use in U.S. 1999
  - Consists of 3 Volumes: Combination of Diagnostic & Proc. Codes
    - Volumes 1 & 2: For Physician Reporting of Diagnosis in conjunction w/ HCPCS & CPT codes
    - Volumes 3: Inpatient Hospital Procedure Codes
- Codes added as a yearly Update
  - Only if clearly demonstrates with identifying and monitoring of the disease.

Introduction: What is ICD-10?
International Classification of Diseases

Background of ICD/Definition of ICD-10

- 10th Edition of ICD Medical Code Set
- WHO updated to ICD-10 in 1992
- Other Countries began adopting ICD-10 in 1994
- U.S. partially adopted Mortality reporting ONLY in 1999
ICD Coding Trivia

<table>
<thead>
<tr>
<th>Year</th>
<th>Title</th>
<th>Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1839</td>
<td>Call for a uniform classification system</td>
<td></td>
</tr>
<tr>
<td>1893</td>
<td>Classification for Causes of Death</td>
<td>&lt;200</td>
</tr>
<tr>
<td>1900</td>
<td>ILCD-1* Reported deaths only</td>
<td>&lt;200</td>
</tr>
<tr>
<td>1909</td>
<td>ILCD-2* Reported deaths only</td>
<td>&lt;500</td>
</tr>
<tr>
<td>1919</td>
<td>ILCD-3* Reported deaths only</td>
<td>&lt;500</td>
</tr>
<tr>
<td>1929</td>
<td>ILCD-4* Reported deaths only</td>
<td>&lt;500</td>
</tr>
<tr>
<td>1935</td>
<td>ILCD-5* Reported deaths only</td>
<td>&lt;500</td>
</tr>
<tr>
<td>1948</td>
<td>ISCSICD-6 ** Began disease and injury reporting</td>
<td>&lt;1000</td>
</tr>
<tr>
<td>1955</td>
<td>ICD-7 Name changed, other minor changes</td>
<td>&lt;1000</td>
</tr>
<tr>
<td>1965</td>
<td>ICD-8 Structural shortcomings apparent</td>
<td>1000+</td>
</tr>
<tr>
<td>1974</td>
<td>ICD-9 Explosion of knowledge</td>
<td>13,000</td>
</tr>
<tr>
<td>1993</td>
<td>ICD-10 Major restructure</td>
<td>68,000</td>
</tr>
</tbody>
</table>

* International List of Causes of Death
** International Statistical Classification of Diseases, Injury and Causes of Death

Introduction: What is ICD-10?

International Classification of Diseases

Background of ICD/Definition of ICD-10

- Modification approved by WHO for use in U.S.
- Adaptation created by National Center for Health Statistics (NCHS)/CMS
  - Federal Agency
  - Technical Advisory Panel
- Developed ICD-10 CM for Morbidity Reporting
- Developed ICD-10 PCS for Hospital Inpatient Procedure
ICD-10 CM Final Regulation

PHYSICIANS AND AMBULATORY SETTINGS

- ICD-10 CM for Morbidity Reporting
  - *ICD-10 CM diagnosis code set* will replace *ICD-09 CM Vol. 1& 2*
  - *ICD-10 CM will be used in all outpatient healthcare settings*

- Implementation of Diagnosis Code Set
  - Date of service driven for ambulatory and physician reporting
  - Services provided on or after October 1, 2014 will use ICD-10-CM diagnosis codes

ICD-10-PCS Final Regulation

HOSPITAL INPATIENT PROCEDURES (NEW)

- ICD-10 PCS for Hospital Inpatient Procedures
  - *ICD-10 PCS will replace ICD-9-CM procedure code set Vol.1*

  - *ICD-10-PCS will be used ALL for facility reporting of hospital inpatient services*
ICD-10 Implementation Notes

- Single implementation date of October 1, 2014 for all users
- Date of Service Driven Implementation
  - Single Code Set per Claim
  - Dual acceptance of Codes for some time
    - Timely filing will apply
- Codes not submitted with correct codes based on date will be rejected

No Impact on CPT® and HCPCS Level II Codes

- CPT® and HCPCS Level II will continue to be used for:
  - Reporting physician and other professional services
  - Procedures performed in hospital outpatient departments and other outpatient facilities
**Introduction: What is ICD-10?**

**International Classification of Diseases**

**ICD-10 Regulatory Requirements**

- HHS published final regulations (45CFR 162.1002) on January 16, 2009

- **INITIAL compliance date October 1, 2013**
  - All HIPAA covered entities must use ICD-10
  - Services rendered on and after **IMPLEMENTATION** must use ICD-10-CM and ICD-10-PCS

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**DATE** | **Details**
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**JAN 2009** | HHS published final regulations (45CFR 162.1002)
Initial Compliance Date - October 1st, 2013

**FEB 2012** | Both the Centers for Medicare & Medicaid Services and the Department of Health and Human Services issued releases that discussed the need for a re-evaluation of the ICD-10 implementation timeline
The United States Department of Health and Human Services (HHS) published a proposed rule that would delay the compliance date from October 1, 2013 to October 1, 2014 for the ICD-10 code set implementation.

**APR 2012** | The United States Department of Health and Human Services (HHS) published a proposed rule that would delay the compliance date from October 1, 2013 to October 1, 2014 for the ICD-10 code set implementation.

**AUG 2012** | The final rule was published in August 2012 and NEW implementation date for ICD-10 is

**OCT 1, 2014** | All HIPAA covered entities must use ICD-10
Services rendered on and after **IMPLEMENTATION** must use ICD-10-CM and ICD-10-PCS
Who?: ICD-10 Impact

International Classification of Diseases

- Major impact on entire Health Care Industry
- All entities using healthcare information that contains a diagnosis and/or inpatient procedure code

- Hospitals
- Healthcare practitioners and institutions
- Health insurers and other third-party payers
- Electronic transaction clearinghouses
- Hardware and software
- Billing and practice management service providers
- Health care administrative and oversight agencies
- Public and private health care research institutions

Take Home Message!

- **October 1, 2014 Compliance Deadline**

- Required by HIPAA...NOT AN OPTION
- All HIPAA covered entities must use ICD-10
- Does not affect use of CPT or HCPCS
- ICD-9 codes, based on date of service, will continue to be sent and received for some time

**THERE IS NO TRANSITION PERIOD...**

**You must be ready!**
Why ICD-10?

Current ICD-9 Code Set:

Out With the Old!

- Outdated: 30 years old
- Current code *structure* limits amount of new codes that can be created
- Has obsolete groupings of disease families
- Lacks specificity and detail to support:
  - Accurate Anatomical Positions
  - Differentiation of risk & severity
  - Key Parameters to differentiate disease manifestations

Why ICD-10?

Benefits of Implementation

Medical Technology Impacts

- *Update the terminology and disease Classifications*
  - consistent with current clinical practice and medical and technological advances
- *Enhance Coding* Accuracy & Specificity
- *Epidemiology Impact:*
  - Provide more detailed data to better analyze disease patterns and
  - Increase Tracking and response to Public Health Outbreaks

System Operation Impacts

- *Improve operational processes*
  - Greater opportunity for auditing agencies
  - Investigation enhancement
  - Fraud and Abuse detection
- *Streamline payment operations*
  - Allows greater automation
  - Fewer payer-physician inquiries
  - Decrease delays and inappropriate denials
  - Lead to better reimbursement
What Changes with ICD-10?

The differences between ICD-9 and 10

- Differences between the code sets make ICD-10 look like an entirely different coding language

- Main differences include:
  - Volume
  - Structure
  - New features

What Changes with ICD-10?

Revisions to ICD-10

- Information relevant to ambulatory and managed care encounters
- Expanded injury codes
- Creation of combination diagnosis/symptom codes to reduce the number of codes needed to fully describe a condition
- The addition of 6th and 7th character subclassifications
- Incorporation of common 4th & 5th digit subclassifications
- Classifications specific to laterality
- Classification refinement for increased data granularity
What Changes with ICD-10?

ICD-10 CM Code Structure

- **3-7 alpha numeric structure**
  - Allows for greater detail
  - Flexible: Allows for expansion

- **ICD-10 CM Codes Increase**
  - 13,000 Codes -> 68,000 Codes

- **Very Logical and Specific**
  - Comorbidities
  - Manifestations
  - Etiology/Causation
  - Age Related
  - Joint Involvement

- **Includes Laterality**

ICD-10-CM Structure – Format

- **Alpha (Except U)**
- **2 Always Numeric**
- **3-7 Numeric or Alpha**
- **Additional Characters**

```
S 3 2 . 0 1 0 A
```

- **Category**
- **Etiology, anatomic site, severity**
- **Added code extensions (7th character) for obstetrics, injuries, and external causes of injury**

**3 – 7 Characters**
What Changes with ICD-10?

ICD-10 PCS Code Structure

- 7 alpha numeric structure
  - All characters required
  - systems and processes

- ICD-10 PCS Codes Increase
  - 3,000 Codes -> 72,081

Precise definition:
- Anatomic Site
- Approach
- Device Used
- Qualifying Info

Includes Laterality

What Changes with ICD-10?

ICD-10 PCS Code Structure Overview

- Codes are built one digit at a time
  - each digit represents a different piece of information

- Codes are each 7 characters long (no decimal points)
  - Each character can be alpha or numeric except I and/or O so as not to be confused with 1 and 0

- Each codes is built specifically for the procedure performed
  - so that the coding system is flexible and
  - allows for new procedures to be easily incorporated into the coding system.
ICD-10 PCS Structure

Let’s Look at an Example

ICD-9 Code - E917.0 - Striking against or struck accidentally in sports without subsequent fall

ICD-10-CM - Sports injuries now include sport and reason for injury

So what does this mean?
Now 28 possible ICD-10-CM W21 codes for E917.0

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>W21.00</td>
<td>Struck by hit or thrown ball, unspecified type</td>
</tr>
<tr>
<td>W21.01</td>
<td>Struck by football</td>
</tr>
<tr>
<td>W21.02</td>
<td>Struck by soccer ball</td>
</tr>
<tr>
<td>W21.03</td>
<td>Struck by baseball</td>
</tr>
<tr>
<td>W21.04</td>
<td>Struck by golf ball</td>
</tr>
<tr>
<td>W21.05</td>
<td>Struck by basketball</td>
</tr>
<tr>
<td>W21.06</td>
<td>Struck by volleyball</td>
</tr>
<tr>
<td>W21.07</td>
<td>Struck by softball</td>
</tr>
<tr>
<td>W21.08</td>
<td>Struck by other hit or thrown ball</td>
</tr>
<tr>
<td>W21.09</td>
<td>Struck by /stepped on by shoe cleats</td>
</tr>
<tr>
<td>W21.10</td>
<td>Struck by ice hockey stick</td>
</tr>
<tr>
<td>W21.11</td>
<td>Struck by field hockey stick</td>
</tr>
<tr>
<td>W21.12</td>
<td>Struck by ice hockey puck</td>
</tr>
<tr>
<td>W21.13</td>
<td>Struck by ice hockey puck</td>
</tr>
<tr>
<td>W21.14</td>
<td>Struck by field hockey puck</td>
</tr>
<tr>
<td>W21.15</td>
<td>Striking against or struck by football helmet</td>
</tr>
<tr>
<td>W21.16</td>
<td>Striking against or struck by other sports equip</td>
</tr>
<tr>
<td>W21.17</td>
<td>Striking against or struck by unspecified sports equipment</td>
</tr>
</tbody>
</table>

What Changes with ICD-10?

Example of ICD-10 CM Code Change

**Overweight and obesity codes**

- The classification for overweight and obesity has been expanded in ICD-10-CM to include:
  - Obesity due to excess calories
  - Morbid (severe) obesity due to excess calories
  - Other obesity due to excess calories
  - Drug induced obesity
  - Morbid (severe) obesity due to alveolar hypoventilation
  - Overweight
  - Other obesity
  - Obesity unspecified

- An additional code (Z68-) is used to identify the body mass index (BMI), if known.
What Changes with ICD-10?
Examples of New ICD-10 CM Features

- Combination codes for some conditions and associated symptoms
- Laterality
- Expansion of some codes
  - Injuries
  - Diabetes
  - Alcohol and substance abuse
  - Post-op complications
- Injuries grouped by anatomical site instead of by category

What Changes with ICD-10?
Examples of New ICD-10 CM Combination Codes

- I25.110 Atherosclerotic heart disease of native coronary artery with unstable angina pectoris
- K71.51 Toxic liver disease with chronic active hepatitis with ascites
- K50.814 Crohn’s disease of both small and large intestine with abscess
- N41.01 Acute prostatitis with hematuria
- E11.311 Type 2 diabetes mellitus with unspecified diabetic retinopathy with macular edema
- K57.21 Diverticulitis of large intestine with perforation and abscess with bleeding
What Changes with ICD-10?
Examples of New ICD-10 CM Features
Examples of laterality (ICD-10-CM)

- C50.211 Malignant neoplasm of upper-inner quadrant of right female breast
- H02.032 Senile entropion of right lower eyelid
- M05.271 Rheumatoid vasculitis with rheumatoid arthritis of right ankle and foot
- S80.261A Insect bite (nonvenomous), right knee, initial encounter

Conclusion:
ICD-10 Implementation Summary

- Understand Basic ICD-10
  - Code Structure
  - Differences
- Understand the Impacts
  - Practice/Organization
  - Training
  - Costs
- Know Your Resources – YOU ARE NOT ALONE!
- Compliance Deadline:
  - October 1, 2014
  - Impact all Healthcare Entities
  - NOT an OPTION!
ICD-10 Implementation:
ICD-10 Code Humor

Provider Impacts:
How to “Get Ready”

Stephen Brimley, Provider Liaison
Michigan Dept. of Community Health
External Lead, Awareness & Training Team
ICD-10 Changes Everything!

- ICD-10 is a Business Function Change, Not just another code set change.
- ICD-10 Implementation will impact everyone:
  Front Desk, Nurses, Managers, Lab, Clinical Area, Billing, Physicians, and Coding.
- Know your role – How is ICD-10 going to change what you do?

What changes in the office with ICD-10?

- Policies and Procedures
- Forms and Superbills
- Health Plan and Payer Policies
- Systems
- Prior Authorization
- Clinical Knowledge
- Clinical Documentation
- Training
Policies and Procedures

- Any policy or procedure involving a diagnosis code, disease management, tracking, or Physician Quality Reporting Initiative (PQRI) must be reviewed and revised.
- If your privacy policies are revised patients will need to sign new forms.
- Vendor/Payer Contracts

Forms and Superbills

- All forms will need to be reviewed to see if updates are needed.
- Example forms to look for:
  - Advanced Beneficiary Notification (ABN)
  - Flow Sheet (Superbill, Checkout form)
  - Referral
  - Consult Letter templates
  - HIPAA Notification
  - Lab, Radiology, DME orders
  - Nursing Notes
Health Plans and Payers

- Patient Coverage
  - Health Plan Policies and Payment Limitations
- Payer Reimbursement
- Reporting Requirements
- Ordering Requirements
- Prior Authorization Policies

Training

- Everyone in the practice will need to be trained
- Create a training plan
- Topics needing to be trained:
  - Codes – increasing, code book and code structure will completely change.
  - New/Updated Policies and Procedures
  - New/Updated Systems
  - Clinical Knowledge – Anatomy and Medical Terminology
  - Clinical Documentation
Clinical Documentation

• Comprehensive Documentation Required for ICD-10 due to specificity
• Physician Driven:
  • Starts with Patient Assessment
  • Visit with Patient must reflect in the Documentation
• Not a New Concept
  • Aligns with Meaningful Use Quality Initiative
  • Documentation Training in Medical School
• Bottom Line
  • The story told in the physician visit must ultimately be reflected in the chart and translate to the proper ICD-10 Code
Golden Rule

- If it is not documented by the physician; provider, it did not happen;
- If it did not happen it can not be billed.

Objective:

- To ensure medical record documentation is documented to the fullest extent possible in order to support the greater specificity required in ICD-10 code sets.

Provider Impacts: Clinical Documentation

- Clinical Documentation is the foundation of successful ICD-10 Implementation
- The purpose in documentation is to tell the story of what was performed and what is diagnosed accurately and thoroughly reflecting the condition of the patient,
  - what services were rendered and
  - what is the severity of the illness
- The key word is **SPECIFICITY**
  - Granularity
  - Laterality
Provider Impacts: Clinical Documentation

- ICD-10 PCS Code Set for Inpatient Hospital Procedures represents NEW Medical Terminology
- Example: “A surgeon dictates in an operative report that he “removed the left upper lobe of the lung”
  - In ICD-10:
    1. Removed = Resection
    2. Left Upper Lobe in a Complete Body Part
- Therefore, the coder must recognize that the proper code would include a “resection” of the “left upper lobe.”
- The term “removal” now applies only to removing synthetic materials.

Potential Documentation Problem Areas

1. **Diabetes Mellitus**
   - ICD-9-CM features 59 codes for diabetes, while ICD-10-CM offers more than 200 codes.
   - The expanded diabetes code set has added a provision of “poorly controlled” to the categories of controlled or not controlled
   - There are multiple combination codes (e.g., ICD-10-CM code E09.11 designates “Type 1 diabetes mellitus with ketoacidosis with coma”).
2. **Injuries** - ICD-10-CM features an expanded category for injuries.

- A seventh character extension identifies the encounter type:
  - "A" for the initial encounter
  - "D" for the subsequent encounter for fracture with routine healing,
  - "G" for subsequent encounter for fracture with delayed healing, and
  - "S" for sequela of fracture.

- Coding professionals will also need to code the size and depth of the injury under ICD-10-CM which may not be captured in physician documentation.

- In addition to coding the type of injury, the cause of the injury should be documented and coded as well.


   - It identifies situations in which a patient has taken less of a medication than prescribed by the physician.

   - The medical condition is sequenced first

   - The under-dosing code is listed as a secondary diagnosis.

   - The additional code explains why the patient is not taking the medication (e.g., financial reasons). Since this is new, many physicians will not be in the habit of documenting a patient’s reasons for under-dosing in the record.
TAKE HOME MESSAGE

- When the ICD-10CM codes are used at the greatest level of granularity and laterality, they demonstrate the full degree of the patient's illness.

- The processing of medical claims will be faster because there will be less need for payers to query providers for additional diagnostic information.

- Complete and concise documentation leads to correct coding and correct coding leads to appropriate reimbursement.

ICD-10 Implementation: Provider Impact

Clinical Documentation Key Facts

- More detailed medical documentation will be required to support the new code set
  - Codes will be more specific
- Provider staff must be familiar with the new coding and how it impacts your business

ICD-10 ALERT

CPT and HCPCS Codes will not be affected
EHR Impact on ICD-10 Implementation

- EHR will help the transition but not a cure all for implementation of ICD-10.
- Is your EHR compatible with both ICD-9 and ICD-10?
- Are there additional costs to your practice to upgrade to ICD-10?
- What needs to be updated in your EHR each year with the ICD-10 code updates?
- EHR will not be a fix for specificity of ICD-10.
What Should You be Doing to Prepare?

- Talk to your billing service, clearinghouse or practice management vendor about their readiness plans NOW
- Identify where codes are used in your systems and business processes and plan for changes
- If you handle your own billing and software development, begin making changes now
- Ask your billing service, clearinghouse or practice management vendor if they can accommodate both ICD-9 and ICD-10 by dates of service
- Assess your staff training needs – BEGIN NOW
- Budget for time and costs related to ICD-10
What Should You be Doing to Prepare?

- Know who in your office is coordinating or managing your ICD-10 implementation activities.
- Assess your Top Billing Codes
  - Utilize the Gem Viewer to convert Codes
- Start reviewing your policies and procedures to see which ones involve diagnosis codes that may need to be updated upon implementation.
- Assess every System, document that contains an ICD-9 Code and implement changes accordingly
- Assess your Clinical Documentation Readiness

MDCH Timeline

2012

Assessment
Jan 2012 to June 2012

Remediation
May 2012 to June 2013

Testing
July 2013 to September 2014

Implementation
October 1, 2014

AWARENESS

2014

ONGOING
Sept 2015

OPS
ICD-10 Implementation:
Provider Impacts Summary

- For dates of service on and after October 1, 2014 you MUST use ICD-10 codes
- Claims with ICD-9 codes and a date of service October 1, 2014 and after will be denied
- CPT/HCPCS codes are NOT impacted
- Claims for dates of service before October 1, 2014 must use ICD-9 codes

Begin preparation now!

Take Home Message!

Preparation is the key to Successful Implementation!

Deadline October 1, 2014.

Begin preparation now!
ICD-10 Resources

- www.michigan.gov/5010icd10
  - MDCH specific information including FAQs & other links
  - GEM Viewer
  - Email: MDCH-ICD-10@michigan.gov
- www.CMS.gov/ICD10
- www.WEDI.org
- www.AHIMA.org/icd10
- www.BCBSM.com/icd10