



ICD-10 Implementation Get Ready!

ICD-10 Regional Awareness & Training



INTRODUCTIONS

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ICD-10 Awareness & Training Agenda

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



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ICD-10 General Overview

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General Overview Agenda

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

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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


World Health Organization

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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.



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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



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ICD Coding Trivia

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

* International List of Causes of Death

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



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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



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ICD-10 CM Final Regulation

PHYSICIANS AND AMBULATORY SETTINGS

- **ICD-10 CM for Morbidity Reporting**
 - *ICD-10 CM diagnosis code set* will be 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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Introduction: What is ICD-10?

ICD-10 Regulatory Requirements: *The ICD-10 Delay Timeline*

DATE	
JAN 2009	HHS published final regulations (45CFR 162.1002) Initial Compliance Date - October 1 st , 2013
FEB 2012	<ul style="list-style-type: none"> ✓ 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	<ul style="list-style-type: none"> ✓ 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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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



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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!



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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

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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

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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



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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

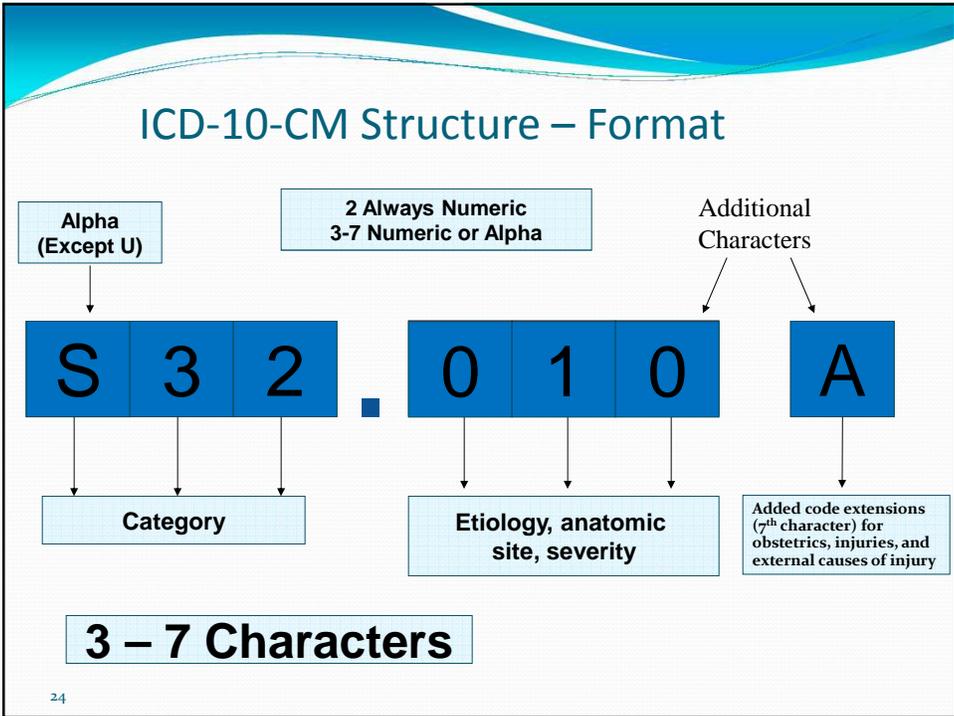
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What Changes with ICD-10?

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**



What Changes with ICD-10?

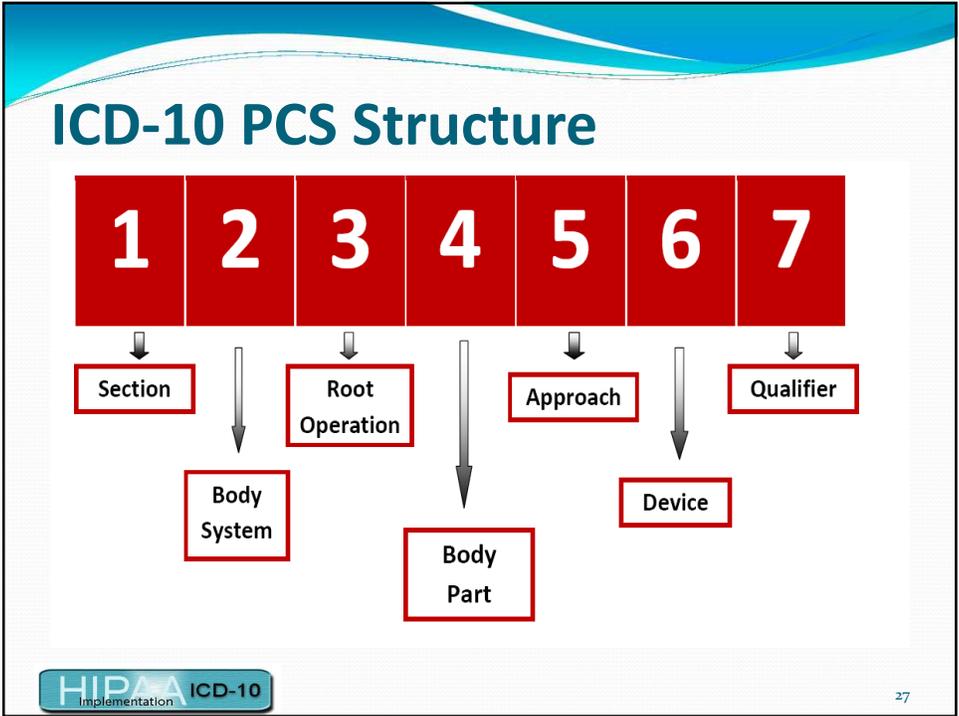
ICD-10 PCS Code Structure

- **7 alpha numeric structure**
 - All characters required
 - systems and processes
- **Precise definition:**
 - Anatomic Site
 - Approach
 - Device Used
 - Qualifying Info
- **ICD-10 PCS Codes Increase**
 - 3,000 Codes -> 72,081
- **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.



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?

A cartoon illustration of a man in a blue shirt and blue cap falling backwards. He is holding a golf club. Motion lines around him indicate he is falling quickly. A copyright notice below the cartoon reads: © Ron Leishman * www.ClipartOf.com/5806. A 'HIPAA Implementation ICD-10' logo is in the bottom left, and the number '28' is in the bottom right.

Now 28 possible ICD-10-CM W21 codes for E917.0

W21.00	Struck by hit or thrown ball, unspecified type	W21.4	Striking against diving board
W21.01	Struck by football	W21.11	Struck by baseball bat
W21.02	Struck by soccer ball	W21.12	Struck by tennis racquet
W21.03	Struck by baseball	W21.13	Struck by golf club
W21.04	Struck by golf ball	W21.19	Struck by other bat, racquet or club
W21.05	Struck by basketball	W21.210	Struck by ice hockey stick
W21.06	Struck by volleyball	W21.211	Struck by field hockey stick
W21.07	Struck by softball	W21.220	Struck by ice hockey puck
W21.09	Struck by other hit or thrown ball	W21.221	Struck by field hockey puck
W21.31	Struck by /stepped on by shoe cleats	W21.81	Striking against or struck by football helmet
W21.32	Struck by /skated over by skate blades	W21.89	Striking against or struck by other sports equipment
W21.39	Struck by other sports foot ware	W21.9	Striking against or struck by unspecified sports equipment

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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.



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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

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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

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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

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Conclusion:

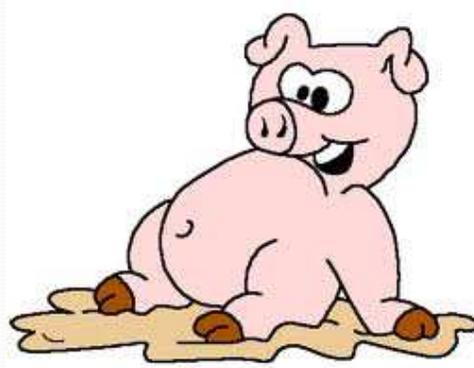
ICD-10 Implementation Summary

- **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!



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ICD-10 Implementation: ICD-10 Code Humor



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Provider Impacts: How to “Get Ready”

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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?



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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



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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



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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

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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

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- **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



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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

One of Three

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”).

Potential Documentation Problem Areas

Two of Three

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.

Potential Documentation Problem Areas

Three of Three

3. *Drug Under-dosing* - A new code in ICD-10-CM

- 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.

ICD-10 Implementation: Provider Impact

Clinical Documentation Key Facts

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.



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ICD-10 Implementation: Provider Impact

Clinical Documentation Summary

- 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



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Electronic Health Records

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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.



How to get ready

Resources

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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

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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

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MDCH Timeline



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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!

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Take Home Message!

*Preparation is the key to
Successful Implementation!*

Deadline October 1, 2014.

Begin preparation now!

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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

