

"Improving the Financial Health of the Practices we Serve."

What is ICD-10????





- ICD-10 replaces the ICD-9 code sets and includes <del>updated</del> NEW medical terminology and updated classification of diseases.
- The World Health Organization (WHO) approved the 10<sup>th</sup> Revision of the International Classification of Diseases (ICD) know as ICD-10 in 1990.



# ICD-10-CM / ICD-10-PCS

- ICD-10-**CM:** Dx coding in all health care settings.
  - Clinical Modifications

- ICD-10-PCS: Inpatient procedure coding in hospital settings.
  - Procedural Classification System.
  - Used by other countries.



### Health Insurance Portability and Accountability Act

HIPAA standardizes health care information

- Electronic submission of claims
- Provider identifiers
- Privacy
- Code sets



## **ICD-10-CM Development**

Discussion of code sets have been controversial due to:

- Potential Costs during the transition
- Anticipated delays in billing and coding at startup
- Costs associated with training and education
- "Partial Truths" of current usage



## **ICD-10-CM Development**

ICD-10-CM was developed with:

- Technical advisory panel (Epidemiologists)
- Physician groups (Anyone know of one?)
- Clinical coders (I have yet to meet one)

There are no codes for procedures in ICD-10-CM, procedures are coded using the procedure classification appropriate for the encounter setting (CPT and ICD-10-PCS).



## **ICD-10-CM Improvements**

Specific improvements MAY include

- Additional information relevant to ambulatory and managed care encounters
- Expanded injury codes
- Combination Dx codes to reduce the number of codes needed to fully describe a condition
- Addition of 6th and 7th characters
- Incorporation of common 4th and 5th digit sub-classifications;
- Laterality
- Greater specificity in code assignment. The new structure will allow further expansion than was not possible with ICD-9-CM.
   NEWPORTMED

# ICD-10-CM | Clinical

The term "clinical" is used to emphasize the modification's <u>intent</u> to serve as a useful tool in the area of classification of morbidity data for:

- Indexing of medical records
- Medical care review
- Ambulatory care
- Other medical care programs
- Basic health statistics.



### ICD-10-CM | Go-Live

# October 1, 2015



## Overview

#### International Classification of Diseases (ICD)

- ICD-10-CM codes exceed ICD-9 codes by a significant number.
  - 14,000 ICD-9 vs. 91,000+ ICD-10
- Disease classifications now include health related conditions and provide greater specificity at the 6<sup>th</sup> character level and with the 7<sup>th</sup> character extension.

The use of the 6<sup>th</sup> and 7<sup>th</sup> character extensions are not optional.



# **Orthopedic Overview**

- Orthopedics use the most codes.
- ICD-10 = New Language
- Injury Chapter = 50+% of Codes
- Musculoskeletal Chapter = 10% of Codes
- Skin, Nervous System, Congenital, Endocrine..= 1% each



## Overview

#### **Characteristics of ICD-10-CM**

 The use of these codes can be located in the Official Coding and Reporting guidelines section of ICD-10-CM (<u>www.cms.hhs.gov/icd10</u>)



# Why transition to ICD-10?

Clinical Documentation Improvement (CDI)

- Refine reimbursement systems: Risk Adjustments and pay-for-performance
- Forecasting (needs and expenditures)
- Research and Tx metrics
- Healthcare costs and other analytics
- Fraud detection/prevention



### ICD-10-CM Format and Structure Breakdown

- Alphanumeric categories rather than numeric
- Some chapters have been rearranged
- Some titles have changed
- Conditions have been regrouped
- ICD-10 has almost twice as many categories as ICD-9
- Some changes in the coding rules for mortality



### ICD-10-CM Format and Structure Breakdown

#### ICD-10 Consists Of:

- Tabular lists containing cause of death titles and codes (Volume 1)
- Inclusion and exclusion terms for cause of death (Volume 1)
- Alphabetical index to diseases and nature of injury
- External causes of injury
- Table of drugs and chemicals (Volume 3)
- Description, guidelines, and coding rules (Volume 2)



Chapter	ICD-9-CM	ICD-10-CM
1	Infectious & Parasitic Diseases	Certain Infectious and Parasitic Diseases
2	Neoplasms	Neoplasms
3	Endocrine, Nutritional, Metabolic Diseases, and Immunity Disorders	Diseases of the Blood and Blood- Forming Organs
4	Diseases of the Blood and Blood- Forming Organs	Endocrine, Nutritional, Metabolic Diseases
5	Mental Disorders	Mental, Behavioral and Neurodevelopmental Disorders



Chapter	ICD-9-CM	ICD-10-CM
6	Diseases of the Nervous System and Sense Organs	Diseases of the Nervous System
7	Diseases of the Circulatory System	Diseases of the eye and adnexa
8	Diseases of the Respiratory System	Diseases of the ear and mastoid process
9	Diseases of the Digestive System	Diseases of the circulatory system
10	Diseases of the Genitourinary System	Diseases of the respiratory system



Chapter	ICD-9-CM	ICD-10-CM
11	Complications of Pregnancy, Child Birth, Puerperium	Diseases of the digestive system
12	Diseases of the Skin and Subcutaneous tissues	Diseases of the skin and subcutaneous tissue
13	Diseases of the Musculoskeletal System and Connective tissues	Diseases of the musculoskeletal system and connective tissue
14	Congenital Anomolies	Diseases of the genitourinary system
15	Certain conditions originating in the perinatal period	Pregnancy, childbirth and the puerperium



Chapter	ICD-9-CM	ICD-10-CM
16	symptoms, signs and ill- defined conditions	Certain conditions originating in the perinatal period
17	Injury and Poisoning	Congenital malformations, deformations and chromosomal abnormalities
18	N/A	Symptoms, signs and abnormal clinical and laboratory findings, not elsewhere classified
19	N/A	Injury, poisoning and certain other consequences of external causes
20	N/A	External causes of morbidity
21	N/A	Factors influencing health status and contact with health services



# ICD-10-CM | Index

### **Alphabetic Index**

Is divided into sections and is organized to:

- Define terms
- Provide direction
- Provide coding directions



#### **Combination Code:**

- A single code used to classify two dx,
  - a dx with an associated sign or symptom
  - or a dx with an assigned complication.
- Multiple codes should not be used when classification provides a combination code that clearly identifies all elements documented in the dx.

Note: Combination codes allow for fewer codes to be submitted while still explaining the patients clinical condition



#### Laterality

- ICD-10-CM code descriptors include right or left designation.
  - Right side is usually character 1
  - Left side is usually character 2
  - Bilateral code is usually character 3
- No lateral indication?
  - The unspecified side is usually a character 0 or 9, depending on whether it is a fifth or sixth character.

Note: Using an unspecified code will cause claim denials with insurance companies asking for medical records. Which will cause a delay in reimbursement.



### Morbidity

 Refers to the Dx rate or number of cases of a particular disease in a given age range, gender, occupation, or other relevant population based grouping.



#### Mortality

 Refers to the death rate reflected by the population in a given region, age range, or other relevant statistical grouping



### **Principal or First-listed Diagnosis**

- Code sequenced first on a medical record defines the primary reason for the encounter as determined at the end of the encounter
  - In the inpatient setting, the first code listed on a medical record is referred to as the principle diagnosis



#### **Documenting Body Mass Index (BMI)**

- Code assignment may be based on med rec. documentation from clinicians who are not the patient's provider
  - (i.e., physician or other qualified healthcare practitioner legally accountable for establishing the patient's diagnosis),
- Associated diagnosis (such as overweight, obesity) must be documented by the patient's provider.
  - If there is discrepancy, the patient's attending provider should be queried for clarification.



ICD-9-CM	ICD-10-CM
• 3-5 characters	• 3-7 characters
<ul> <li>First character is numeric or Alpha (E or V)</li> </ul>	<ul> <li>Character 1 is alpha (all letters except U)</li> </ul>
Characters 2-5 are numeric	Character 2 is numeric
<ul> <li>Always at least 3 characters</li> </ul>	Characters 3-7 are alpha or numeric
<ul> <li>Use of decimal after 3 characters</li> </ul>	<ul> <li>Use of decimal after 3 characters</li> </ul>
	<ul> <li>Use of dummy placeholder "X"</li> </ul>
	<ul> <li>Alpha characters are not case-sensitive.</li> </ul>

**3 -7 Characters Examples:** 

P09 S32.010A O9A.211 M1A.0111

- Codes longer than 3 characters always have decimal point after first 3 characters
- 1<sup>st</sup> character: alpha
- 2<sup>nd</sup> through 7<sup>th</sup> characters: alpha or numeric
- 7<sup>th</sup> character used in certain chapters (obstetrics, musculoskeletal, injuries, and external causes of injury)



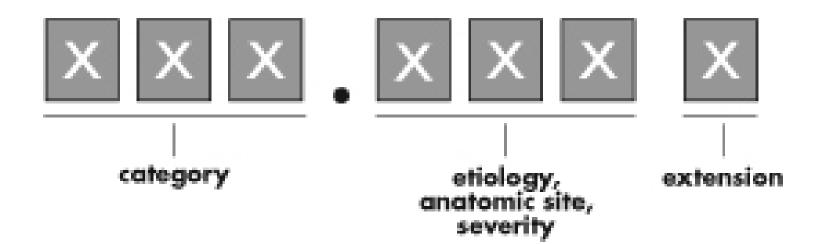
- Addition of 7<sup>th</sup> character (Injuries & External Causes)
- Used in certain chapters to provide information about the characteristic of the encounter
- Must always be used in the 7<sup>th</sup> character position
- If a code has an applicable 7<sup>th</sup> character, the code must be reported with an appropriate 7<sup>th</sup> character value in order to be valid



#### 7<sup>th</sup> Character for Injuries & External Causes

- A= Initial encounter for closed fracture
- B= Initial encounter for open fracture
- D= Subsequent encounter for fracture with routine healing
- G= Subsequent encounter for fracture with delayed healing
- K= Subsequent encounter for fracture with nonunion
- P= Subsequent encounter for fracture with malunion
- S= Sequela







#### **Dummy Placeholder "X"**

Addition of dummy placeholder "X" is used in certain codes to:

- Allow for future expansion
- Fill out empty characters when a code contains fewer than 6 characters and a 7<sup>th</sup> character applies

Note: When placeholder character applies, it must be used in order for the code to be considered valid



#### ICD-10-CM Coding Example:

Patient diagnosed with Postmenopausal osteoporosis with current pathological fracture, vertebra, initial encounter for fracture.



#### ICD-10-CM Coding Example:

Look up term in Alphabetic Index:
 Osteoporosis (female) (male) M81.0
 postmenopausal M81.0 vertebra M80.08

### 2. Verify code in Tabular:

M80 Osteoporosis with current pathological fracture



#### ICD-10-CM Coding Example Cont:

- The appropriate 7th character is to be added to each code from category M80:
- A initial encounter for fracture
- D subsequent encounter for fracture with routine healing
- G subsequent encounter for fracture with delayed healing
- K subsequent encounter for fracture with nonunion
- P subsequent encounter for fracture with malunion
- S sequela



Answer:

M80.08 Age-related osteoporosis with current pathological fracture, vertebra(e)

Report code M80.08xA because code is only 5 characters long and it requires a 7<sup>th</sup> character, so the placeholder "x" is needed in 6<sup>th</sup> character position.



ICD-10-CM Coding Example:

Patient presents to office for aftercare followup for her non fracture hip replacement.



### ICD-10-CM Coding Example:

### 1. Look up term in Alphabetic Index:

Aftercare (see also Care) Z51.89 following surgery (for) (on) joint replacement Z47.1

### 2. Verify code in Tabular:

Z47 Orthopedic aftercare

Excludes 1: aftercare for healing fracture-code to fracture with 7<sup>th</sup> character D



Answer:

Z47.1 Aftercare following joint replacement surgeryUse additional code to identify the joint (Z96.6-)



### Resources

- <u>http://www.ahima.org/icd10</u>
  - -Putting the ICD-10-CM/ PCS GEMs into Practice (free)
  - –ICD-10 Preparation Checklist (free)
  - -Role-based implementation model (free)
  - E-newsletter (free)
- <u>http://cms.gov/Medicare/Coding/ICD10/index.html</u>
   About ICD-10
- <u>Http://www.cdc.gov/nchs/icd/icd10cm.htm</u>
  - 2014 release of ICD-10-CM

