Basic ICD-10 Issues and How CDI Will Grow in Importance in 2014

Preconference Session: CDI, ICD-10, and the PA-UR Team Partnership

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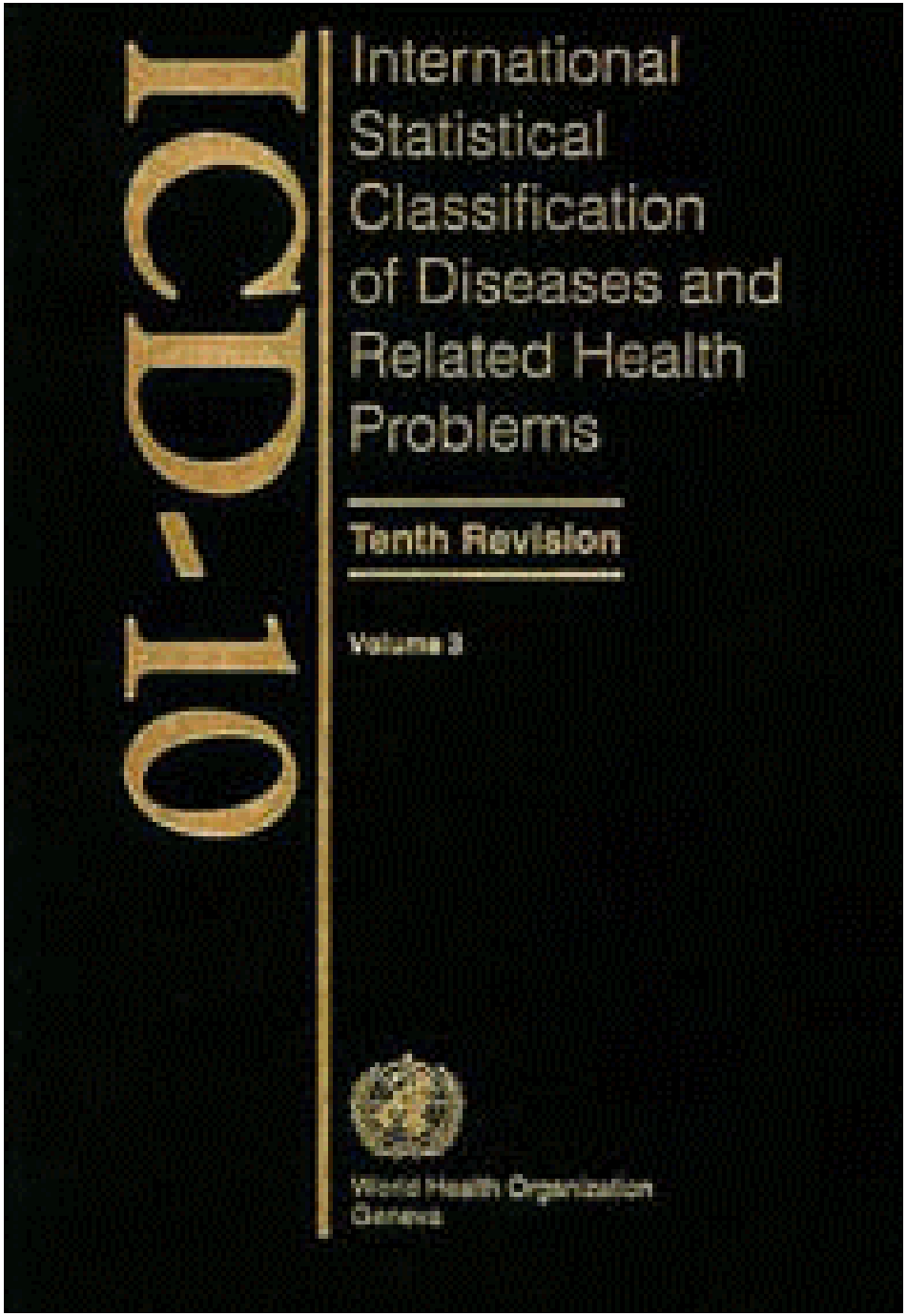


Disclosures

- No commercial bias
- No off-label medication use recommendations

Objectives

- Discuss the history of the ICD and the pathway to ‘10
- Outline the integral components of the ICD-10 CM
- Show examples of how ICD-10 will improve on quality and granularity of coding demographics
- Show how the correct coding will allow optimizing revenues

Terminology

- **HIPAA** – Health Insurance Portability and Accountability Act of 1996
- **ICD-9-CM** – International Classification of Diseases, 9th Revision, Clinical Modification
- **ICD-10-CM** – International Classification of Diseases, 10th Revision, Clinical Modification – diagnosis code set
- **ICD-10-PCS** – International Classification of Diseases, 10th Revision, Procedure Coding System – procedure code set
- **CPT** – Current Procedural Terminology
- **HCPCS** – Healthcare Common Procedure Coding System
- **WHO** – World Health Organization
- **NCHS** – National Center for Health Statistics, Center for Disease Control and Prevention
- **CMS** – Centers for Medicare & Medicaid Services

History Of International Classification of Diseases (ICD)

CAPTAIN JOHN GRAUNT

1620-1674

Natural and *Political*

OBSERVATIONS

Mentioned in a following INDEX,

and made upon the

Bills of Mortality.

By JOHN GRAUNT,

Citizen of

LONDON.

With reference to the *Government*, *Religion*, *Trade*, *Growth*, *Ayre*, *Diseases*, and the several Changes of the said CITY.

—— *Nec, me ut miretur Turba, laboro.*
Contentus paucis Lectoribus ——

LONDON,

Printed by *Tho: Roycroft*, for *John Martin*, *James Allestry*, and *Tho: Dicas*, at the Sign of the *Bell* in St. *Paul's* Church-yard, MDCLXII.

History of ICD-10

"ICD-1"

- Bertillon Classification of Causes of Death
  - Created by Jacques Bertillon, MD (1851-1922), Chief of Statistical Services of the City of Paris
  - an abridged classification of 44 titles
  - Realized a correlation between suicide rates and divorces
    - Felt both were associated with "social disequilibrium"
- The International List of Causes of Death…the first
- Followed by…ICD-2, ICD-3, ICD-4, ICD-5, ICD-6, ICD-7, ICD-8, ICD-9….

History Of International Classification of Diseases (ICD)

- The International Statistical Institute managed ICD until ICD-6 (1948)
- The World Health Organization took over ICD 1948
  - 10 international centers helped modify ICD
  - Use as tool so that medical terms reported by Physicians, Medical Examiners, and Coroners on death certificates can be grouped together for statistical purposes

History Of International Classification of Diseases (ICD)

- Since 1900, the ICD has been modified about once every 10 years, except for the 20-year interval between the last two revisions, ICD-9 and ICD-10.

Designation	Years in Effect
ICD-1	1900-1909
ICD-2	1910-1920
ICD-3	1921-1929
ICD-4	1930-1938
ICD-5	1939-1948
ICD-6	1949-1957
ICD-7	1958-1967
ICDA-8 (adapted*)	1968-1978
ICD-9	1979-1998
ICD-10	1999-

Other Countries are ahead of US

	Year Implemented ICD-10
• United Kingdom	1995
• France	1997
• Australia	1998
• Belgium	1999
• Germany	2000
• Canada	2001
• United States	2014

What are Clinical Modifications CM? (ICD-9-CM)

- Clinical Modifications (CM) is the United States' version Developed in USA in 1970s based on the World Health Organization's ICD-9.
  - Added to WHO ICD-9:
    - External Causes of Injury
    - Factors Influencing Health
    - Volume 3, Institutional Procedure Coding

ICD-9-CM Users

- ICD-9-CM Diagnoses –used by all types of providers
- ICD-9-CM Procedures –used only by inpatient hospitals
- Current Procedural Terminology (CPT) –used for all ambulatory and physician procedure reporting

What is ICD-9-CM Used For?

- Calculate payment –Medicare Severity-Diagnosis Related Groups (MS-DRGs)
- Adjudicate coverage –diagnosis codes for all settings
- Compile statistics
- Assess quality

ICD-9-CM Basics

- ICD-9-CM has 3 – 5 digits
- Chapters 1 – 17: all characters are numeric
- Supplemental chapters: first digit is alpha (E or V), remainder are numeric
- Examples:
  - 496 Chronic airway obstruction not elsewhere classified (NEC)
  - 511.9 Unspecified pleural effusion
  - V02.61 Hepatitis B carrier

ICD-9-CM is Outdated

- 30 years old –technology has changed
- Many categories full
- Not descriptive enough

ICD-10 Overview

- Developed by the WHO in 1989 and released in 1994
- U.S. implemented for mortality reporting on January 1, 1999
- National Center of Healthcare Statistics (NCHS) developed the U.S. clinical modification for diagnoses – ICD-10-CM
- CMS developed a procedure code set – ICD-10-PCS

ICD-10-CM Diagnosis Codes

- Characters 1-3 – Category

- Example:
  - **S52** Fracture of forearm

ICD-10-CM Diagnosis Codes

- Characters 1-3 – Category
- Characters 4-6 – Etiology, anatomic site, severity, or other clinical detail

- Example:
  - **S52** Fracture of forearm
  - **S52.5** Fracture of lower end of radius
  - **S52.52** Torus fracture of lower end of radius
  - **S52.521** Torus fracture of lower end of right radius

ICD-10-CM Diagnosis Codes

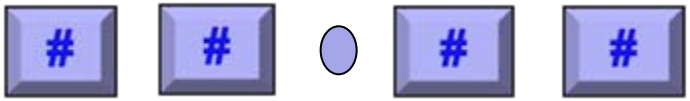
- Characters 1-3 – Category
- Characters 4-6 – Etiology, anatomic site, severity, or other clinical detail
- Characters 7 – Extension (initial visit, subsequent, etc.)
- Example:
  - **S52** Fracture of forearm
  - **S52.5** Fracture of lower end of radius
  - **S52.52** Torus fracture of lower end of radius
  - **S52.521** Torus fracture of lower end of right radius
  - **S52.521A** Torus fracture of lower end of right radius, initial encounter for closed fracture

ICD-10-Procedural Coding System (PCS)

- Developed by CMS
- First version was released in 1998
- Replaces ICD-9-CM Volume 3
- No WHO procedure code set – unique to U.S.
- Only used for hospital inpatient coding – does not replace CPT in the outpatient settings

ICD-10-PCS (procedures)

- ICD-9-CM (procedures)



- ICD-10-PCS (procedures)

0FB03ZX - Excision of liver, percutaneous approach, diagnostic

0DQ10ZZ - Repair, upper esophagus, open approach

Section, Body System, Root Operation, Body Part, Approach, Device, Qualifier

The Differences Between the ICD-9 and ICD-10

	ICD-9	ICD-10
Diagnosis	13,000	
Procedure	3,800	
Codes		
Flexibility		
Specificity		

The Differences Between the ICD-9 and ICD-10

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Flexibility	**Limited space for adding new codes**	
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The Differences Between the ICD-9 and ICD-10

	ICD-9	ICD-10
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Procedure	3,800	72,000
Codes	**3-5 characters in length**	**3-7 characters in length**
Flexibility	**Limited space for adding new codes**	**Flexible for adding new codes**
Specificity	**Lacks detail**	**Very specific**

Specificity looks like this…

24 Codes

ICD-9-CM

821.01 Fracture of femur, shaft, closed

1 Code

ICD-10-CM

S72301A Unspecified fracture of shaft of right femur, initial encounter for closed fracture	S72322A Displaced transverse fracture of shaft of left femur, initial encounter for closed fracture	S72326A Nondisplaced transverse fracture of shaft of unspecified femur, initial encounter for closed fracture
S72301G Unspecified fracture of shaft of right femur, subsequent encounter for closed fracture with delayed healing	S72322G Displaced transverse fracture of shaft of left femur, subsequent encounter for closed fracture with delayed healing	S72326G Nondisplaced transverse fracture of shaft of unspecified femur, subsequent encounter for closed fracture with delayed healing
S72302A Unspecified fracture of shaft of left femur, initial encounter for closed fracture	S72323A Displaced transverse fracture of shaft of unspecified femur, initial encounter for closed fracture	S72331A Displaced oblique fracture of shaft of right femur, initial encounter for closed fracture
S72302G Unspecified fracture of shaft of left femur, subsequent encounter for closed fracture with delayed healing	S72323G Displaced transverse fracture of shaft of unspecified femur, subsequent encounter for closed fracture with delayed healing	S72331G Displaced oblique fracture of shaft of right femur, subsequent encounter for closed fracture with delayed healing
S72309A Unspecified fracture of shaft of unspecified femur, initial encounter for closed fracture	S72324A Nondisplaced transverse fracture of shaft of right femur, initial encounter for closed fracture	S72332A Displaced oblique fracture of shaft of left femur, initial encounter for closed fracture
S72309G Unspecified fracture of shaft of unspecified femur, subsequent encounter for closed fracture with delayed healing	S72324G Nondisplaced transverse fracture of shaft of right femur, subsequent encounter for closed fracture with delayed healing	S72332G Displaced oblique fracture of shaft of left femur, subsequent encounter for closed fracture with delayed healing
S72321A Displaced transverse fracture of shaft of right femur, initial encounter for closed fracture	S72325A Nondisplaced transverse fracture of shaft of left femur, initial encounter for closed fracture	S72333A Displaced oblique fracture of shaft of unspecified femur, initial encounter for closed fracture
S72321G Displaced transverse fracture of shaft of right femur, subsequent encounter for closed fracture with delayed healing	S72325G Nondisplaced transverse fracture of shaft of left femur, subsequent encounter for closed fracture with delayed healing	S72333G Displaced oblique fracture of shaft of unspecified femur, subsequent encounter for closed fracture with delayed healing

Many possible codes

Documentation Specificity

Diagnosis	Specificity Needed
Respiratory Failure	Acute Respiratory Failure
Asthma	Severity level of asthma

Asthma---ICD-9-CM

Extrinsic asthma	493.0
Asthma with stated cause	493.0
Atopic asthma	493.0
Hay	493.0
Platinum	493.0
Hay fever with asthma	493.0

Asthma---ICD-10-CM

Mild intermittent asthma	J45.2
Mild intermittent asthma, uncomplicated	J45.20
Mild intermittent asthma, NOS	J45.20
Mild intermittent asthma with acute exacerbation	J45.21
Mild intermittent asthma with status asthmaticus	J45.22
Mild persistent asthma	J45.3
Mild persistent asthma, uncomplicated	J45.30
Mild persistent asthma, NOS	J45.30
Mild persistent asthma with acute exacerbation	J45.31
Mild persistent asthma with status asthmaticus	J45.32
Moderate Persistent asthma	J45.4
Moderate persistent asthma, uncomplicated	J45.40
Moderate persistent asthma, NOS	J45.40
Moderate persistent asthma with acute exacerbation	45.41
Moderate persistent asthma with status asthmaticus	J45.42
Severe persistent asthma	J45.5
Severe persistent asthma, uncomplicated	J45.50
Severe persistent asthma, NOS	J45.50
Severe persistent asthma with acute exacerbation	J45.51
Severe persistent asthma with status asthmaticus	J45.52

Documentation Specificity

Diagnosis	Specificity Needed
Respiratory Failure	Acute Respiratory Failure
Asthma	Severity level of asthma
Myocardial Infarction	Coronary artery involved
Stroke/CVA	Specific artery involved
Osteoarthritis	Primary or Secondary

Documentation Specificity

Diagnosis	Specificity Needed
Respiratory Failure	Acute Respiratory Failure
Asthma	Severity level of asthma
Myocardial Infarction	Coronary artery involved
Stroke/CVA	Specific artery involved
Osteoarthritis	Primary or Secondary
Aftercare following injury	Specific injury
Injuries	Specific site and laterality
Open Fracture	Gustillo open fracture scale
Underdosing	Reporting of underdosing and specific drug involved

Example:

- **fracture of wrist:**
  - Patient fractures left wrist
  - A month later, fractures right wrist
  - ICD-9-CM does not identify left versus right –**requires additional documentation**

  - ICD-10-CM describes Left versus right
  - Initial encounter, subsequent encounter
  - Routine healing, delayed healing, nonunion, or malunion

ICD-10 Scope of Impact

- Coding correctness to avoid claim denials
  - Staff education (physicians and NPPs as well)
  - Delegate this, but documentation to allow specificity is imperative
  - Superbills need to be modified greatly (crosswalks)
  - EMR systems and billing system upgrades
    - Clearinghouse upgrades to handle our claims

Will the payers be ready?

- 39% state they predict they will not be ready by 10/2014

Will venders (clearinghouses) be ready?

- Not adequate schedule in place to meet deadline 44%
- Not enough guidance 41%
- Not able to train own staff well 29%
- Not enough support 28%
- Lack of troubleshooting skills 17%

Physicians are worried

- 70% of physicians in a recent report stated they were “very concerned” about “decreases in clinical productivity” due to ICD-10 transition
  - Lower RVUs mean lower revenues
    - Immediate direct hit to physicians or a delayed hit as Employers begin holding doctors accountable for salaries paid

www.mgma.com/policy/default.aspx?id=39681

Severity of Illness(SOI) defined

The extent of physiologic decomposition, organ system loss of function, and/or mortality.

Refers to:

- **How sick is the patient?**
- **How difficult is the patient to manage?**
- **What types of interventions are required?**
- **What is the intensity of resources utilized?**

Risk of mortality(ROM) defined

An estimate of the likelihood of in hospital death for a patient.

Risk-Adjusted Mortality: The ratio of observed mortality rate (actual mortality) to severity-adjusted (or risk-adjusted) expected mortality rate.

$$\text{Mortality index} = \frac{\text{Observed mortality}}{\text{Expected mortality}}$$

Observed mortality is driven by quality-of-care initiatives

Expected mortality is driven (in large part) by documentation of secondary diagnoses.

Documentation Guidelines: Heart Failure

Documented Diagnosis	High Severity	Moderate Severity	Low Severity
Congestive heart failure "CHF"			X
Rheumatic heart failure		X	
Left heart failure		X	
Unspecified systolic and/or diastolic heart failure		X	
Chronic systolic and/or diastolic heart failure		X	
Acute systolic and/or diastolic heart failure	X		
Acute on chronic systolic and/or diastolic heart failure	X		

CC and MCC: Secondary dx that affects severity

CC: Complication/Comorbidity

MCC: Major Complication/Comorbidity

CC = Complication/Comorbidity

A condition that, when present, leads to substantially increased hospital resource use:

- Significant acute disease
- Acute exacerbation of significant chronic disease
- Advanced or end-stage chronic diseases
- Chronic diseases associated with extensive debilities

MS-DRG Structure-CV Surgery

- Heart Valve Procedures
- DRG 218 w/o CC/MCC $34, 284
- DRG 217 with CC $40, 743 Difference $6, 459
- DRG 216 with MCC $61, 081 Difference $20, 338

- Major Chest Procedures
- DRG 165 w/o CC/MCC $11, 500
- DRG 164 with CC $16, 806 Difference $5, 306
- DRG 163 with MCC $32, 849 Difference $16, 043

MS-DRG Structure-Medical

•	**Simple Pneumonia**			
•	**DRG 195 w/o CC/MCC**	**$4,541**		
•	**DRG 194 with CC**	**$6,414**	**Difference $1, 873**	
•	**DRG 193 with MCC**	**$9, 556**	**Difference $3, 142**	
•	**Complex Pneumonia**			***Simple to Complex PNA**
•	**DRG 179 w/o CC/MCC**	**$6, 287**		**Difference $1, 746**
•	**DRG 178 with CC**	**$9, 242**	**Difference $2, 955**	**Difference $2, 828**
•	**DRG 177 with MCC**	**$13,185**	**Difference $3, 943**	**Difference $3, 629**
•	**CHF**			
•	**DRG 293 w/o CC/MCC**	**$4, 332**		
•	**DRG 292 with CC**	**$6, 438**	**Difference $2, 106**	
•	**DRG 291 with MCC**	**$9, 736**	**Difference $3, 298**	

Medicare Spending Per Beneficiary Measure (MSPB)

- Associated with Value-based Purchasing payment model (2015)
  - Combination of resource utilization and quality
    - Target best outcomes for best cost
    - Efficiency model of care with hopes to improve value of care
- Assessed Part A and B "per Beneficiary" episode of care over period of 9 mo (5-15-2010 → 2/14/11)
- CMS will define resources, but will look at snapshots of care from 3d prior to admission to 30d after
  - Measure is adjusted for age and SOI
- CMS will develop a ratio of spend
  - 1 is ~average, <1 is less spend (good), and > 1 is more spend (bad)

ICD-10 will allow us to correctly define conditions

- Each specialty needs to create CHEAT SHEETS: “Long lists” and “Short lists” of the most commonly used codes
- *cms.gov* has free programs with GEMS (general equivalence mappings)
- Must use I-10 correctly to capture the severity and specificity of the condition
- Much more granularity with I-10

Make Note: Underdosing

- Underdosing is a new code in ICD-10
- It identifies situations in which a patient has taken less of a medication than prescribed by the physician

Make Note: Unspecified

- If documentation doesn’t support more specific codes, coders may code “unspecified”

  -↓Severity and risk scores

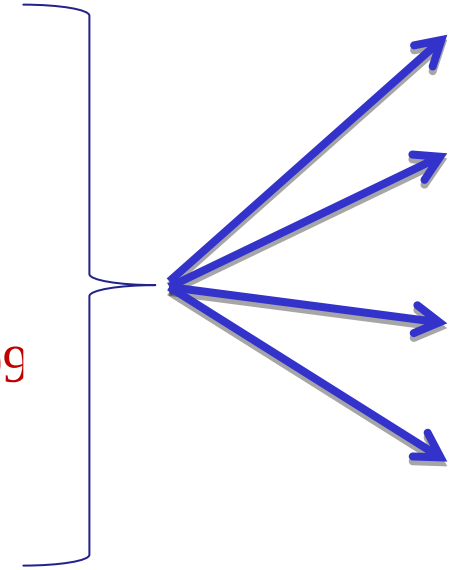
  -↓Reimbursement

  – Medical Necessity issues can arise
    - Non/Un-specified disease code doesn’t merit as frequent of follow-up
      – Diabetes Mellitus

ICD-9-CM

- Hematuria

ICD□9□CM code 599



ICD-10-CM

R31.0, gross hematuria

R31.1 benign essential microscopic hematuria

R31.2 other microscopic hematuria

R31.9 hematuria unspecified

We get more granularity with 10

- W5922XA Struck by a turtle, initial
- W5922XD …….subsequent
- W5921XA Bitten by a turtle, initial
- W5921XD …….subsequent
- W2202XA Walked into lamppost, initial
- W2202XD …….subsequent
- V9107XA Burn due to water skis on fire
- V9027XA Drowning and submersion due to falling/jumping from burning water skis, initial

We get more granularity with 10

- Hit/struck by object due to accident in a
  - Merchant ship – initial, subsequent, sequelae
  - Passenger ship…
  - Fishing boat…
  - Power watercraft…
  - Sailboat…
  - Canoe/kayak…
  - Non-powered watercraft…
  - Unspecified watercraft…

What now….

- System-wide plan for go live October, 2014
  - Need a timeline
- Data mine
  - What are top 20 diagnosis codes (or do a top 90%)
- Set up educational curricula
  - Needs to be specialty specific
    - OP vs IP based, as both will be affected
  - Forms, superbills, order sheets for ancillaries, etc.
- Follow-up audits with group/one-to-one sessions
  - Mastery is key, f/u until this is achieved
  - Use of the Physician Advisor is key to success

Thank you!

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