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# ICD-10

## A Perspective on Change

(And the Potential for a Yak Attack!)

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## From Whence We Come

- In 1893 a Frenchman develops a set of 179 codes to categorize causes of death.
- In 1947 ICD-7 is introduced with 3000 diseases.
- In 1973 ICD-9 CM is introduced with 12,500 diseases + ICD-9 PCS that defines 3500 procedures
- Increasing granularity to describe an ever increasingly complex medical world. Code combinations now relate to reimbursement.



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## Where Do We Go?

- ICD-10 is not a modern revision nor “annual update” of the ICD-9-CM and ICD-9-PCS codes sets.
- ICD-10 is a provides a totally new concept in coding:
  - Diagnosis codes for all providers (ICD-10-CM)
  - Inpatient hospital procedure codes (ICD-10-PCS)
- ICD-10-CM is the US “clinical modification” of the WHO ICD-10 code set
- ICD-10-PCS is a U.S. creation



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## Expansion of ICD Codes

- Diagnoses:
  - Current ICD-9-CM codes: 14,315
  - New ICD-10-CM codes: 69,099
- Procedures (ICD-10-PCS):
  - Current ICD-9-CM codes: 3,838
  - New ICD-10-CM codes: 71,957



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## Evolution Sets Change in Motion

- ICD-10 will require change in clinical and administrative systems.
- ICD-10 will require change in business processes.
- ICD-10 will require change in reimbursement and coverage logic.
- ICD-10 will require change in how we think.



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## The ICD-10 Regulation

- Final regulation (45 CFR 162.1002) published January 16, 2009.
- Set a compliance date for using ICD-10-CM for diagnoses and ICD-10-PCS for inpatient hospital procedure codes of Oct 1, 2013.
- As per all medical code sets under HIPAA, compliance date requires services performed on and after that date be coded using the new codes.



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## Opportunity for Improvement

- Improved care management of specific medical conditions and any associated procedures through reporting greater detail.
- More precise coverage and payment determination through reporting greater detail.
- Links to electronic health records (EHRs) and additional information
- Strategic planning for member, provider and benefit service improvements.
- Performance monitoring and increased capacity to report quality measures.



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## More Precise Coverage and Payment Determination

- The more specific information provided in the ICD-10 codes presents an opportunity for member benefit, reimbursement policy, and medical policy revisions.
- Reimbursement & medical policies can now pinpoint more specific conditions and more specific procedures.
- Payers will be able to better determine whether or not to cover procedures based on more detailed diagnostic information on the claim.
- Payers will be able to more accurately reimburse for procedures based on specific diagnoses and the severity of the diagnosis.



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## Links to Electronic Health Records and Additional Information

- ICD-10 codes must be supported by documentation contained in EHRs.
- Expect that the tools for ICD-10 coding will be included in new EHRs .
- Should be able to link codes directly to specific information.
- Requests for information will be more specific and accurate.



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## Quality and Performance Measures

- Many quality measures are either based on or specific to diagnoses.
- ICD-10 provides an opportunity to create more targeted and more accurate quality measures by using better diagnosis information.
- Provider quality and performance measures can thus be improved, and the data considered more accurate.



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## Strategic Planning for Beneficiary, Provider, and Benefit Services Improvement

- Strategic planning is another opportunity for use of the better data that ICD-10 will provide
- Once enough data is collected, trending can begin and support strategic planning for:
  - Relating beneficiary demographic information with conditions.
  - Looking at provider caseload trends by condition.
  - Determining better benefit packages for the Medicaid population.



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## Better Data for Fraud and Abuse

- ICD-10 improves the specificity of diagnoses and thus requires more detailed medical record documentation to substantiate.
- Better data provides more pattern recognition opportunities and cross claim analysis.
- Improved ability to recognize diagnosis-to-procedure mismatches.



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## How Much Change is “Change”?

- Diagnosis Codes (ICD-9 to ICD-10-CM)
  - From five positions (first one alphanumeric, others numeric) to seven positions, all alphanumeric.
  - From 13,000 existing codes to 68,000 codes.
  - Much greater specificity.
  - Full description and consistency within the code set.
  - Uses modern terminology for descriptions.
  - Creation of combination diagnosis/symptom codes to reduce the number of codes needed to fully describe a condition.



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## Change in Code Organization

S 8 A . A A A A

Chapter  
Code is  
Found

Specific Condition

Etiology, Anatomic Site, Severity

Extension

A

Injury/Poisoning, Fracture, Lower Leg, "Torus Fracture of Upper End of Right Tibia,  
Initial Encounter for Fracture



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## Examples of ICD-10-CM Specificity

- Sports injuries now coded with sport and reason for injury
  - ICD-9 code - Striking against or struck accidentally in sports without subsequent fall (E917.0).
  - 24 ICD-10-CM Detail Codes.



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## Examples of ICD-10-CM Specificity (cont'd)

- W21.00 Struck by hit or thrown ball, unspecified type
  - W21.01 Struck by football
  - W21.02 Struck by soccer ball
  - W21.03 Struck by baseball
  - W21.04 Struck by golf ball
  - W21.05 Struck by basketball
  - W21.06 Struck by volleyball
  - W21.07 Struck by softball
  - W21.09 Struck by other hit or thrown ball
  - W21.31 Struck by shoe cleats
  - Stepped on by shoe cleats
  - W21.32 Struck by skate blades
  - Skated over by skate blades
  - W21.39 Struck by other sports foot wear
  - W21.4 Striking against diving board
  - W21.11 Struck by baseball bat
  - W21.12 Struck by tennis racquet
  - W21.13 Struck by golf club
  - W21.19 Struck by other bat, racquet or club
  - W21.210 Struck by ice hockey stick
  - W21.211 Struck by field hockey stick
  - W21.220 Struck by ice hockey puck
  - W21.221 Struck by field hockey puck
  - W21.81 Striking against or struck by football helmet
  - W21.89 Striking against or struck by other sports equipment
  - W21.9 Striking against or struck by unspecified sports equipment
- Or Perhaps...
- V80.018



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## ICD-10 PCS

**Each code contains 7 characters.  
Each character has specific meaning.**

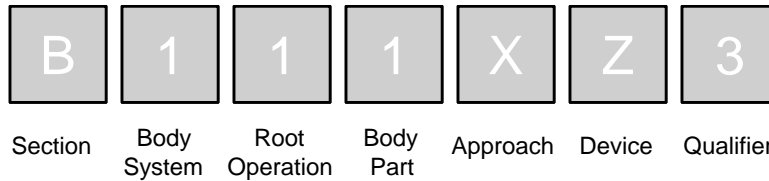
- 1 Section (Medical/Surgical cases start with a 0)
- 2 Body System (31 possible characters)
- 3 Root Operation (objective of the procedure)
- 4 Body Part (specific part upon which the procedure is being performed)
- 5 Approach (7 approaches)
- 6 Device (4 devices)
- 7 Qualifier



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## Structure of the ICD-10 PCS



Medical-Surgical, Lower Bones, Reposition, Tibia (Right), Open Prcd, Internal Fixation  
No Qualifier



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## Characteristics of ICD-10 PCS

- ICD-10-PCS has four distinguishing features:
  - Allows for unique coding of procedures (easy to distinguish differences)
  - Room for expansion
  - Standardized terminology
  - Consistency in coding from chapter to chapter



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## What is Coding Integrity?

**It is a translation & report:** Codes provide a convenient mechanism to report patient conditions and clinical services.

- It requires an accurate recording, in the medical record of an event that occurred in real time.
- It requires an accurate translation of a three dimensional clinical event into a two dimensional code.



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## Coding Integrity- There is More

**It is a report & processing:** Codes provide a convenient mechanism to report patient conditions and clinical services so that hundreds of millions of claims can be processed and paid each year in the USA.

- It requires an accurate processing of the code or a combination of codes reported to the payer.



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## Who Will Be Affected?

### Everyone, but in different ways.

- **Professional Providers** will be required to use ICD-10-CM diagnosis codes but will continue to use HCPCS-AMA CPT codes to report service(s)/procedure(s) provided starting October 1, 2013.
- **Outpatient Facility Providers** will be required to use ICD-10-CM diagnosis codes but will continue to use HCPCS-AMA CPT codes to report service(s)/procedures provided starting October 1, 2013.
- **Inpatient Hospital Providers** will be required to use ICD-10-CM diagnosis codes AND ICD-10-PCS codes to report service(s) and procedure(s) starting October 1, 2013.



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## Who Will Be Affected? (cont'd)

- **Auditor Organizations** will be required to use all of the following:
  - HCPCS-AMA CPT codes
  - ICD-9-CM and ICD-9-PCS codes
  - ICD-10-CM and ICD-10-PCS codes
- **Public/Private Payers** will be required to use all of the following:
  - HCPCS-AMA CPT codes
  - ICD-9-CM and ICD-9-PCS codes
  - ICD-10-CM and ICD-10-PCS codes in combinations that will vary by the provider being reimbursed.



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## Provider/Payer/Auditor Impacts

- Documentation of diagnoses and procedures
  - Codes reported will continue to require support in the medical record.
  - ICD-10-CM codes are more specific than ICD-9 codes.
  - Thus, greater clarity will be required in the medical record.
  - Expect a 15% increase in documentation time (per AAPC)
  - Revenue Impacts of specificity
    - Denials
    - Additional Documentation



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## Provider/Payer/Auditor Impacts (cont'd)

- Coverage and Payment Impacts:
  - New coding system will potentially mean adjustments in Payer Medical Policy and Reimbursement Policy
  - Change in either Policy could directly impact coverage determinations.
  - CMS has devoted significant time in the attempt to keep the global reimbursement budget neutral.



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## CMS General Equivalence Mappings (GEMs)

- Mappings between I-9 and I-10 attempt to find corresponding diagnosis codes between the two code sets.
- Correlation is fairly close in some areas when the two codes sets share the conventions of organization and formatting.
  - For example many infectious disease, neoplasm, eye and ear codes have straightforward correspondence.
    - A02.21 Salmonella meningitis (ICD-10-CM)
    - 003.21 Salmonella meningitis (ICD-9-CM)
    - C92.01 Acute myeloid leukemia, in remission (ICD-10)
    - 205.01 Myeloid leukemia, acute, in remission (ICD-9)



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## CMS General Equivalence Mappings (GEMs) (cont'd)

- Mappings between I-9 and I-10 attempt to find corresponding diagnosis codes between the two code sets.
- Correlation is quite divergent when whole chapters of codes are organized along a different axis of classification.
  - For example obstetrical diagnosis codes.
    - O26.851 Spotting complicating pregnancy, first trimester (ICD-10-CM)
    - 649.50 Spotting complicating pregnancy, unspecified episode of care (ICD-9-CM)
  - The unequal axis of classification is “Stage of Pregnancy” in ICD-10 vs. “Episode of Care” in ICD-9.



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## CMS General Equivalence Mappings (GEMs) (cont'd)

- Mappings between I-9 and I-10 attempt to find corresponding diagnosis codes between the two code sets.
- Correlation is occasionally challenged by greater detail in ICD-9-CM than in ICD-10-CM:
  - I-9 contains
    - 010.90 Primary tuberculous infection, unspecified examination
    - 010.91 Primary tuberculous infection, bacteriological/histological exam not done
    - 010.92 Primary tuberculous infection, bacteriological/histological exam unknown (at present)
    - 010.93 Primary tuberculous infection, tubercle bacilli found by microscopy
    - 010.94 Primary tuberculous infection, tubercle bacilli found by bacterial culture
    - 010.95 Primary tuberculous infection, tubercle bacilli confirmed histologically
    - 010.96 Primary tuberculous infection, tubercle bacilli confirmed by other method
  - I-10 contains
    - A15.7 Primary respiratory tuberculosis



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## Go to the Oracle (CMS) Website

- The following URL's provide access to the latest documents related to ICD-9-CM/PCS – ICD-10-CM/PCS crosswalk logic and data tables:

Diagnosis:

[https://www.cms.gov/ICD10/11b1\\_2011\\_ICD10CM\\_and\\_GEMs.asp](https://www.cms.gov/ICD10/11b1_2011_ICD10CM_and_GEMs.asp)

Procedure:

[https://www.cms.gov/ICD10/11b\\_2011\\_ICD10PCS.asp](https://www.cms.gov/ICD10/11b_2011_ICD10PCS.asp)



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## Can Order Come from Chaos?

Yes with work!

ICD-10-CM    ICD-9-PCS    Provider Trends  
ICD-9-CM  
Fraudulent Claims    ICD-10-PCS    CMS-GEMs  
Medical Policy    Up-coding  
Member Benefits    Reimbursement Policy  
History-sensitive Edits  
Non-intentional Coding Errors



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## Edit – Audit Questions

- Will diagnosis codes be cross-linked to service-procedure codes?
- Will procedure codes be cross-linked to provider specialty types?
- Will pharmaceutical codes be cross-linked to diagnosis codes?
- Will diagnosis codes be cross-linked to laboratory services?
- Will professional diagnosis/procedure codes be cross-linked to facility diagnosis/procedure codes?
- Will combinations of diagnosis and procedure codes effect reimbursement?
- During the “Audit Crossover Time” how will pre-October 1, 2013 ICD-9 reported claims be compared to post-October 1, 2013 ICD-10 logic?
- Will any of this matter to reimbursement?
- What is the risk of overpayment or underpayment?
- How can that risk be significantly reduced?
- How will the advent of ICD-10 impact historic “Trend Lines” set in ICD-9?
- How will Medical Policy, Reimbursement Policy, and Member Benefits be effected?
- 12. How will Quality & Care Management Programs be effected?



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## Professional Provider: Edit Development for Audit

- Non-history sensitive edits:
  - Sort by HCPCS-AMA CPT Code
  - Use ICD-10-CM codes to establish support for HCPCS
  - Apply to “Automated” vs. “Complex” Edits
  - Applicable to “Same Date of Service” same claim and cross claims audit.
- History sensitive edits:
  - Sort by HCPCS-AMA CPT Code
  - Use GEMs to link ICD-9-CM codes to ICD-10-CM codes
  - Apply to “Automated vs. “Complex Edits
  - Applicable to “Same Member/Same Provider” cross claims auditing of services pre- and post- 10/01/2013.



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## Inpatient Hospital Provider: Edit Development for Audit

- Non-history sensitive edits:
  - Apply contract-defined applicable MS-DRG logic with appropriate “Grouper” for ICD-10
  - Use ICD-10-CM and ICD-10-PCS Code Sets
  - Apply to “Automated” vs. “Complex” Edits
  - Applicable to “Same Admission” same claim and cross claims audit.
- History sensitive edits:
  - Apply contract-defined applicable MS-DRG logic with appropriate “Grouper for ICD-10
  - Use ICD-10-CM and ICD-10-PCS Codes Sets
  - Use GEMs to link ICD-9-CM codes to ICD-10-CM codes
  - Apply to “Automated vs. “Complex Edits
  - Applicable to “Same Member/Same Provider” cross claims auditing of services pre- and post- 10/01/2013.



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## Be Prepared and Avoid the Yak Attack!



Photo courtesy of Wikipedia



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