

#### **The Four Ts of Transition to ICD-10** *An Action Plan for your practice*

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May 8, 2015



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### **ICD-10 Seminar Objectives**

- Learning objectives:
  - The Four T's of a successful transition Timing, Training, Technology and Testing
    - Scheduling your transition to meet the October 1 deadline
    - How to identify the ICD-10 training needs of your staff
    - How to assess technology and perform a gap analysis
    - Auditing clinical documentation for ICD-10 clinician training
    - Denial management and the impact of ICD-10 on denials





# Introduction

- CMS: "On October 1, 2015, the ICD-9 code sets used to report medical diagnoses and inpatient procedures will be replaced by ICD-10 code sets."
  - One implementation for all covered by HIPAA (not applicable to Automobile Insurance, Worker's compensation, some Liability Insurance)
  - CMS has confirmed No extensions





# Why change from ICD-9?

- ICD-9-CM has several problems. After over 35 years, it is no longer useful for tracking diseases.
- It is out of room. Because the classification is organized scientifically, each three-digit category can have only 10 subcategories. Most numbers in most categories have been assigned diagnoses. Medical science keeps making new discoveries, but there are no numbers to assign these diagnoses. ICD-10 expands to 7 digits.
- Computer science, combined with new, more detailed codes of ICD-10-CM, will allow for better analysis of disease patterns and treatment outcomes that can advance medical care provided.
- These same details will streamline claims submissions, since these details will make the initial claim much easier for payers to understand.





#### ICD-10 Updates: The Freeze is on...

- On Oct. 1, 2013, and Oct. 1, 2014, there were only limited code updates to the ICD-10 code set
- There are no updates to ICD-9-CM because it will no longer be used for reporting
- On Oct. 1, 2015, regular updates to ICD-10 will begin







#### The Four T's of ICD-10 Transition

#### Timing, Technology, Training and Testing

- Evaluate tools that can mitigate financial risk of the ICD-10 transition
- New technology can also boost productivity to help offset the losses that occur during and after the transition





### 'T' No. 1: Timing — The time is now!

- Prepare the impact statement
- Assess readiness
  - Business processes, technology and staff
  - Perform a gap analysis in every applicable functional area
  - Develop an actionable plan that is designed around IT, business processes, physicians, coders, education and training, and other key constituents







#### Timing

- Technology Changes
- This should be completed already, or as quickly as possible
  - Implement required Information System (IS) changes
  - Initial Documentation assessment (chart audit)
  - Provider Training
  - Follow-up documentation assessment





#### Conduct A Documentation Assessment

A medical record documentation assessment will help you implement a documentation improvement program that targets deficiencies

- Hire an outside chart auditor or conduct an internal audit to determine if the clinical documentation is sufficient to support an ICD-10 code
- Start reminding physicians now of documentation elements they should be using







# 'T' No. 2: Technology

#### Go live with technology changes

- Finalize system changes
- Test systems
- Complete education and training
- Monitor coding and reimbursement accuracy







# Technology

- Make an inventory of all systems that currently include ICD-9 codes
- Working with your IS support team, finalize system changes, test systems after the transition, monitor coding and reimbursement accuracy
- New technology also can boost productivity to help offset the losses that occur during and after the transition







### Implementing Technology Changes

- Plan to implement required IS changes
- Now is the time to contact your IT vendor for both practice management and electronic health records:
- Who will be responsible for loading the ICD-10 code set into your system?
- It may be necessary to keep ICD-9 for a period of time while old claims "wind down" and quality measures continue to be tracked before and after October 1, 2015





#### **Technology Assistance**

Working with an aligned partner

- How will you manage dual code sets?
- Ask what additional features will be included to assist in clinical documentation.
- Does their system have a prompt to ask for the necessary additional details?







### Technology Assistance

- Can your EMR prompt the clinician to provide details to support the ICD-10 codes as they are chosen?
- Example:
- Fractured Radius
  - Laterality: Right, left
  - Location: proximal, distal, shaft
  - **Type of fracture**: intra-articular, extra-articular, or Colles
  - Displaced or Non-Displaced
  - Seventh Character Extender: A though S







# 'T' No. 3: Training

- The complexity and granularity of the ICD-10-CM code set is a very real concern
- While the American Medical Association (AMA) cites that as reasons why ICD-10 implementation needs to be prevented, those factors can be overcome through a well-planned ICD-10 training program
- Determine training strategies and discuss how to use common specialty-specific examples for physicians and ancillary providers
- Set the expectation that more detailed documentation will be demanded as a result of ICD-10







#### Key: Identify Training Needs by Function

Think about the cycle of a patient in your office...

- How many of your staff play a role in the encounter in any way?
- Do their roles include using diagnosis codes?

#### **Examples**

- The intake staff may call for authorizations for managed care plans and need a diagnosis code
- The lab or X-ray technician needs an ICD-10 code for orders and requisitions
- Coordinators need diagnosis codes to schedule referrals and surgery

Important: Clinicians need to know what new clinical facts are going to be required for documentation!







# Training your staff by 10/1/2015

Medical coders can start tackling the code set by concentrating on two and a half ICD-10-CM chapters each month. At some point they're going to have to practice what they've learned. Don't forget that they will need refreshers on anatomy and physiology.

- It's never too early to encourage physicians to improve clinical documentation
- You need an education and training plan that addresses:
  - What subjects are needed?
  - What level of education and awareness are needed for each set of staff members?
  - Best training options
  - Which staff members will need what training?
  - Schedules
  - Training vendors
  - Resources







### ICD-10 CM 21 Chapters

- Infectious and Parasitic Diseases
- Neoplasms
- Diseases of the Blood and Blood-Forming Organs
- Endocrine, Nutritional and Metabolic Diseases
- Mental and Behavioral Disorders
- Diseases of the Nervous System
- Diseases of the Eye and Adnexa
- Diseases of the Ear and Mastoid Process
- Diseases of the Circulatory System
- Diseases of the Respiratory System
- Diseases of the Digestive System
- Diseases of the Skin and Subcutaneous Tissue
- Diseases of the Musculoskeletal System and Connective Tissue
- Diseases of the Genitourinary System
- Pregnancy, Childbirth and the Puerperium

- Newborn (Perinatal)
- Congenital Malformations, Deformations and Chromosomal Abnormalities
- Symptoms, Signs and Abnormal Clinical and Laboratory Findings
- Injury, Poisoning and Certain Other Consequences of External Causes
- External Causes of Morbidity
- Factors Influencing Health Status and Contact with Health Services







### **Physician Training**

Explain the benefits of the greater specificity

- "ICD-10 incorporates greater specificity, clinical data, and information relevant to ambulatory and managed care encounters."
- Makes it possible to document risk factors

Recruit physician champions

- Peer-to-peer education most effective
- Physicians on your Compliance Committee
- Clinical Documentation Specialists







# 'T' No. 4: Testing

Testing is the best way to minimize negative impact post implementation and ensure the provider practices are operationally ready

- Internal testing
  - Testing internal systems, business procedures and operational workflows
- External testing
  - Testing with external business partners such as payers, clearinghouses and third-party billing services







#### Comparison of ICD-9 to ICD-10









# Reimbursement & Quality Problems with ICD-9-CM

Example: Patient fractures left wrist. A month later, fractures right wrist

• ICD-9-CM does not identify left vs. right

- Requires additional documentation

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





#### **ICD-10** Changes Everything







#### **Comparison of Code Sets**

ICD-9	ICD-10
3-5 characters	3-7 characters
More than 17,000 codes	More than 155,000 codes (68,000 are for ICD-10-CM)
First digit may be alpha or numeric (E or V only), digits are 2-5 are always numeric	First character is alpha; 2 & 3 are numeric; 4-7 are alpha or numeric
Limited space for adding new codes	Flexible, new format allows for expansion
Lacks detail	Very specific
Lacks laterality	Includes a specific field to identify laterality (right vs. left). This new feature alone accounts for 1/3 of the new codes.





#### **ICD-10 Differences**

- Combination Codes
- □ Laterality
- **D** Episode of Care
- Exact Anatomic Location
- **Clinical Details**
- □ Cause/etiology





# **Combination Codes**

- Represents a single code used to classify two diagnoses
  - A diagnosis with an associated sign or symptom
  - Diagnosis with an associated complication

ICD-10-CM

• **E11.41** Type 2 diabetes with diabetic mononeuropathy

<u>ICD-9-CM</u>

- **250.60** Diabetes with neurological manifestations, type 2 or unspecified, not states and uncontrolled
- **355.9** mononeuritis of unspecified site
- Simplifies the number of codes needed to clinically spell out a condition

- Documentation will need to support all elements





- Code descriptions include designations for left, right and in many cases bilateral
- Documentation should always include laterality when possible
- What additional documentation will be needed?
   Right
   Left
  - Bilateral





C50.111 Malignant neoplasm of central portion of **right female breast** C50.112 Malignant neoplasm of central portion of **left female breast** C50.119 Malignant neoplasm of central portion of **unspecified female breast** 

H61.21 Impacted cerumen, right earH61.22 Impacted cerumen, left earH61.23 Impacted cerumen, bilateral

Some ICD-10-CM codes indicate laterality, specifying whether the condition occurs on the left, right or is bilateral. If no bilateral code is provided and the condition is bilateral, assign separate codes for both the left and right side. If the side is not identified in the medical record, assign the code for the unspecified side.





H02.011 Cicatricial entropion of right upper eyelid
H02.012 Cicatricial entropion of right lower eyelid
H02.013 Cicatricial entropion of right eye, unspecified lid
H02.014 Cicatricial entropion of left upper eyelid
H02.015 Cicatricial entropion of left lower eyelid
H02.016 Cicatricial entropion of left eye, unspecified lid
H02.019 Cicatricial entropion of unspecified eye, unspecified lid

Pretty simple, right? What if I told you this simple distinction between <u>left</u> and <u>right</u> accounts for about 25,000 of the 69,000 codes in ICD-10. That's right, 25,000 codes in ICD-10 are different only in that they distinguish between left and right.





- Sometimes the last digit indicates the specific site:
- L74.51 Primary focal hyperhidrosis
  - L74.510 Primary focal hyperhidrosis, axilla
  - L74.511 Primary focal hyperhidrosis, face
  - L74.512 Primary focal hyperhidrosis, palms
  - L74.513 Primary focal hyperhidrosis, soles
  - L74.519 Primary focal hyperhidrosis, unspecified
- What additional documentation will be needed?
   The specific site of the hyperhidrosis





#### **ICD-10 Structure**

- The expanded number of characters of the ICD-10 diagnosis codes provides greater specificity to identify disease etiology, anatomic site, and severity
- Characters 1-3 Category ("Block")
- Characters 4-6 Etiology, anatomic site, severity, or other clinical detail
- Character 7 Extension (example- episode of care or other clinical detail)



# Structural Change







### Fifth/Sixth Characters

- Identifies the most precise level of specificity
- <u>Example</u>:

S61.257 Open bite of left little finger without damage to nail

- 3 S61 is a category for open wound of wrist, hand and fingers
- 4 S61.2 specifies the injury is an open wound of the finger.
- 5 S61.25 specifies it is a <u>bite</u>
- 6 S61.257 specifies it is of the left little finger
- A 7th character extender is also required for current injuries





#### **Seventh Character Extenders**

- The fact that the codes are up to seven characters in length is a major difference that brings two new considerations: <u>seventh character extenders</u> and <u>dummy placeholders</u>.
- The seventh character extenders are usually a letter, and are used to identify the encounter type. Some of the most common seventh character extenders used in ICD-10-CM are:
  - 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





#### A Place for everything, everything in its place - *Benjamin Franklin*

- S51 Open wound of elbow and forearm
- S51.<u>0</u> Open wound of <u>elbow</u>
- S51.0<u>1</u> Laceration without foreign body of elbow
- S51.01<u>2</u> Laceration without foreign body of right elbow
- S51.012<u>A</u> Laceration without foreign body of right elbow, <u>initial encounter</u>





#### A unique twist- the "Placeholder"

- Some codes are 7 characters, but no 4<sup>th</sup>, 5<sup>th</sup> or 6<sup>th</sup> place is necessary, so "x" is a placeholder
  - T68.xxxA Hypothermia

H40.41X1 - Glaucoma secondary to eye inflammation, right eye, mild stage

The appropriate 7<sup>th</sup> character is to be added to code H40.41

- 0 stage unspecified
- 1 mild stage
- 2 moderate stage
- 3 severe stage
- 4 indeterminate stage

**ENOS** Medical Coding



### "Unspecified" Codes

- The Doctor has not given enough information in the documentation
- Differs from "Other specified" which means there is no exact code description for the documentation
- Be careful when using "unspecified" codes, some payers may deny claims if an unspecified code is used (pain in unspecified knee.)

**ENOS** Medical Coding



### It's all about the Documentation

- The level of E/M service is based on
  - Medical necessity
  - Documentation of history, exam and MDM

🖵 Time

- The detail in ICD-10 depends on the information in the note.
- Coders and billers are trained not to use *"unspecified"* codes, and are always directed to query the provider for more detailed information





# October 1, 2015

- Implementation compliance
- Claims will require the new ICD-10 Codes
- Continue training
- 2-3 days of training will be required
- AHIMA estimates 16 hours or less of training
- Have a certified coder on hand to support the physicians and staff as they use the new code sets, or system, "live" for the first time
- Anticipate some disruption, consider ways to support your practice during this time





# Helpful Websites

#### **National Center for Health Statistics**

<u>http://www.cdc.gov/nchs/about/major/dvs/icd10des.htm</u>

#### CMS

- http://www.cms.hhs.gov/ICD10/

#### AHIMA

<u>http://www.ahima.org/icd10</u>

#### MGMA

<u>www.mgma.com</u>

#### AAPC

– <u>www.aapc.com</u>

#### AMA

<u>http://www.ama-assn.org/ama1/pub/upload/mm/399/icd10-icd9-differences-fact-sheet.pdf</u>





#### **Questions?**







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#### **About the Speakers**

Nancy M Enos, FACMPE, CPMA, CEMC, CPC-I, is an independent consultant with the MGMA Health Care Consulting Group. Mrs. Enos has 35 years of operations experience in the practice management field. Nancy was a practice manager for 18 years before she joined LighthouseMD in 1995 as the Director of Physician Services and Compliance Officer. In July 2008 Nancy established an independent consulting practice.

**Mike Enos, CPC, CPMA, CEMC** has over 10 years of experience in the medical coding, billing compliance, and revenue cycle management field. Mike started by working in revenue cycle management in 2001. He began instructing medical coding and consulting in 2009. He has extensive experience in all aspects of the revenue cycle, and was a billing account manager for physician practices.

As an Approved PMCC Instructor by the

American Academy of Professional Coders, Nancy provides coding certification courses, outsourced coding services, chart auditing, coding training and consultative services and seminars in CPT and ICD-9 Coding, Evaluation and Management coding and documentation, and Compliance Planning. Nancy frequently speaks on coding, compliance and reimbursement issues to audiences including State and Sectional MGMA conferences, and hospitals in the provider community specializing in primary care and surgical specialties. In June 2013 Nancy became an AAPC Approved ICD-10 Instructor.

Nancy is a Fellow of the AmericanChart AudCollege of Medical Practice Executives.InstructorShe serves as a College ForumNancy@ErRepresentative for the American401-486-8College of Medical Practice Executives.She is a Past President of the RhodeIsland/Massachusetts MGMA andserves on the Section Council SteeringCommittee for MGMAKerren MGMA



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Mike Enos, CPC, CPMA, CEMC Chart Auditor, Consultant, Instructor

Mike has contributed articles to **MGMA Connection Magazine**, presented at Regional and National MGMA Conferences, AAPC Chapter Meetings, and the New

After attending Rhode Island College and obtaining a

from the American Academy of Professional Coders:

Medical Auditor (CPMA), and Certified Evaluation and

expertise, Mike is able to add a unique perspective and

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courses on Evaluation and Management, ICD-10, and

CPC preparation. Mike is also experienced in chart

auditing, in addition to teaching, and consulting.

Mike has also developed a suite of online training

an additional level of support to the CPC training courses

Management Coder (**CEMC**). By combining his

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Certified Professional Coder (CPC), Certified Professional

Bachelor of Arts, Mike continued his education by

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