South Dakota Medicaid ICD-10 Provider Education Series

ICD-10 Preparation & Implementation

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Agenda

• Brief overview of transition
• What you need to know
• What you can do to be ready
• Testing with SD Medicaid
• Available resources
Federal Mandate Updated Timeline:

Final Rule Originally Published by HHS on January 16, 2009 requiring the adoption of ICD-10 on October 1, 2013

- **August 27, 2012** – Revised compliance date announced by CMS stating a 1-year extension would be granted

- **October 1, 2014** is the revised ICD-10 Implementation Compliance Date

- **April 2014** ICD-10 language in SGR that delays implementation until October 1, 2015

- **October 1, 2015** ICD-10 Implementation Date
ICD-10 Facts

- October 1, 2015 – Compliance date for implementation of ICD-10-CM (diagnoses) and ICD-10-PCS (procedures)

  - ICD-10-CM (diagnoses) will be used by all providers in every health care setting for dates of service on and after 10/1/15
    - No changes for providers who are exempt from reporting diagnoses on claims in South Dakota

- ICD-10-PCS (procedures) will be used only for hospital claims for inpatient hospital procedures for discharges on and after 10/1/15. ICD-10-PCS will not be used on physician claims.
The Good News

• No impact on Current Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) codes

• CPT and HCPCS will continue to be used for physician and ambulatory services including physician visits to inpatients
Why Move to ICD-10?

- ICD-9 is more than 30 years old
- It has outdated terms, produces limited data about medical conditions and inpatient procedures, and is inconsistent with new medical practices
- The structure of ICD-9 restricts the number of new codes that can be created and many ICD-9 categories are full
- All other industrialized countries are already using ICD-10
- Improved quality data and patient management
- More accurate reimbursement
Widespread Effect

**People**
- Providers: Physicians, Facilities
- Payers/Health plans

**Process**
- Medical Management
- Analytics/Reporting

**Technology**
- Claims Payment Systems
- Interfaces/Third Party Vendors
Areas of Impact

- Providers change coding practices based on ICD-10
- Update practice management system
- Update claims submission process
- Update system to accept claims
- Update data repositories to accommodate new coding
- Claim priced based on revised fee schedules
- Revise authorization process
- Update benefit logic & edits
- Select provider & contract
- Determine Benefits
- Check Eligibility
- Begin Adjudication
- Receive Claim
- Submit Claim
- Code Claim
- Payment & Remit
- Price Claim
- Check Auth
- Back end processes
- Start Patient Encounter
- Diagnose Patient
- Revise reporting for ICD-10
What’s the big deal? Don’t we update diagnosis codes every year?
Many more codes!

• Diagnoses
  – ICD-9-CM 14,025
  – ICD-10-CM 69,823

• Procedures
  – ICD-9-CM 3,824
  – ICD-10-PCS 71,924
# ICD-9 vs. ICD-10 Diagnosis Codes

<table>
<thead>
<tr>
<th>ICD-9 Diagnosis Code – 14,025</th>
<th>ICD-10 Diagnosis Code – 69,823</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-5 Characters</td>
<td>3-7 Characters</td>
</tr>
<tr>
<td>First character is numeric or alpha (E or V)</td>
<td>First character is alpha Second character is numeric</td>
</tr>
<tr>
<td>Use of decimal after 3rd character</td>
<td>Use of decimal after 3rd character</td>
</tr>
<tr>
<td></td>
<td>Characters 3-7 are alpha or numeric</td>
</tr>
<tr>
<td></td>
<td>• Letter U is not used</td>
</tr>
<tr>
<td></td>
<td>Use of dummy placeholder “X” for future code expansion</td>
</tr>
</tbody>
</table>

E codes reference External Causes of Injury & Poisoning in ICD-9
E references the Endocrine system in ICD-10

V codes reference Health Status & Contact with Health Services in ICD-9
V – Y codes reference External Causes of Morbidity in ICD-10
ICD-9 vs. ICD-10-PCS Procedure Codes

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>3-4 Digits</td>
<td>7 Digits</td>
</tr>
<tr>
<td>Numeric composition</td>
<td>Alpha or numeric composition</td>
</tr>
<tr>
<td></td>
<td>• Numbers 0 -9</td>
</tr>
<tr>
<td></td>
<td>• Letters O &amp; I are omitted</td>
</tr>
<tr>
<td>Examples: Angioplasty – 3 options</td>
<td>Examples: Angioplasty – 1,298 options</td>
</tr>
<tr>
<td>Artery suture – 1 option</td>
<td>Artery suture – 195 options</td>
</tr>
</tbody>
</table>

The increase in the number of procedures codes is driven by the increased specificity in granularity and laterality contained within the ICD-10 codes.
Abrasion of the right knee, initial encounter

Category:
Superficial injury of knee and lower leg

Sub-categories: Other superficial injuries of knee

Right knee, initial encounter
## Example: Heart Failure

<table>
<thead>
<tr>
<th>ICD-9</th>
<th>ICD-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>428.0</td>
<td>I5020  Unspecified systolic (congestive) heart failure</td>
</tr>
<tr>
<td></td>
<td>I5022  Chronic systolic (congestive) heart failure</td>
</tr>
<tr>
<td></td>
<td>I5023  Acute on chronic systolic (congestive) heart failure</td>
</tr>
<tr>
<td></td>
<td>I5030  Unspecified diastolic (congestive) heart failure</td>
</tr>
<tr>
<td></td>
<td>I5032  Chronic diastolic (congestive) heart failure</td>
</tr>
<tr>
<td></td>
<td>I5033  Acute on chronic diastolic (congestive) heart failure</td>
</tr>
<tr>
<td></td>
<td>I5040  Unsp combined systolic and diastolic (congestive) heart failure</td>
</tr>
<tr>
<td></td>
<td>I5041  Acute combined systolic and diastolic (congestive) heart failure</td>
</tr>
<tr>
<td></td>
<td>I5042  Chronic combined systolic and diastolic heart failure</td>
</tr>
<tr>
<td></td>
<td>I5043  Acute on chronic combined systolic and diastolic heart failure</td>
</tr>
<tr>
<td></td>
<td>I509   Heart failure, unspecified</td>
</tr>
</tbody>
</table>
ICD-10 Specificity

ICD-10 is more specific than ICD-9; however, the coding classification is now conveying what is already known about the condition of the patient. For example:

- Laterality – left, right, bilateral, or unilateral
- Trimester of pregnancy and weeks of gestation
- Length of time a patient was unconscious
- Which finger, and which level in a finger amputation
- The type of surgical approach for procedures
- The severity of seizures
- The stage of a decubitus ulcer
Many of the additional codes are related to Code Patterns

<table>
<thead>
<tr>
<th>Concept</th>
<th>Number of Codes Impacted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acute or chronic</td>
<td>1764</td>
</tr>
<tr>
<td>Open or closed</td>
<td>10,893</td>
</tr>
<tr>
<td>Routine healing, delayed healing</td>
<td>11,290</td>
</tr>
<tr>
<td>Right or left</td>
<td>25,230</td>
</tr>
<tr>
<td>Initial encounter, subsequent encounter or sequela</td>
<td>47,223</td>
</tr>
</tbody>
</table>
What Should I Do?
Impact on Providers

• First Things First:
  • Impact Assessment & Gap Analysis

• Evaluate Vulnerabilities
  • Systems
  • Operations and Processes
  • Clinical Documentation
• Identify your current systems and work processes that use ICD-9 codes. This could include:
  – Practice Management Systems
    • Reports
  – Electronic Medical Record Systems
    • Clinical Documentation
    • ICD-10 Code Assignment
  – Encounter Forms and Superbills, Coding Cheat Sheets
  – Public Health and Quality Reporting Protocols & Reports
• A good rule of thumb: Wherever ICD-9 codes appear today, ICD-10 codes will need to replace them in the future
System Impacts

- Talk with your practice management/EHR vendor(s) about accommodations for both ICD-9 and ICD-10 codes
- Check your contract to see if upgrades are included or if there is an additional cost
- Discuss implementation and testing plans with any clearinghouses or billing services you may use
Assess staff training needs – coders, billing staff, ancillary staff. Anticipate that everyone in your office will require some level of ICD-10 awareness training.

Consider training options and materials available through a variety of resources & venues:
- Professional Associations – AAPC, AHIMA
- Online Courses – ICD10 Monitor, Contexo University
- Webinars – ICD10 Monitor, HC Pro
- Onsite Training – Train the Trainer
Impacts to Payer and Provider

- ICD-10 poses challenges for both payers and providers
  - Readiness for payers and providers
- Data analysis could be challenging for 1-2 years due to both ICD-9 and ICD-10 being used over time
  - Data integrity and comparability
- Readiness will yield advantages for those who execute well
  - No payment interruption

Strongly recommend providers who are still submitting paper claims to move to electronic ASAP. The alphanumerics codes are difficult to decipher and could affect payment and/or timeliness of payment. (O/0, I/1, Z/2). If questions about how to do this send email to: ICD10@state.sd.us
A survey was sent out on April 30, 2015 via ListServ as a tool to gage provider readiness.

SD received 274 responses from approximately 3,800 active billers (approximately 7%).

Provider readiness will assist DSS by informing:
- Provider training needs
- DSS testing plan
- DSS contingency plan

The Provider Readiness Survey remains open at: [http://dss.sd.gov/medicaid/providers/icd10.aspx](http://dss.sd.gov/medicaid/providers/icd10.aspx)

Please respond to the survey, if you have not already done so.
Responses to the survey are extremely valuable in our planning efforts

Initial Survey Results (6/24/2015)

<table>
<thead>
<tr>
<th>Answer Choices</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health System</td>
<td>3.65%</td>
</tr>
<tr>
<td>Group Practice</td>
<td>23.72%</td>
</tr>
<tr>
<td>Individual Provider</td>
<td>38.32%</td>
</tr>
<tr>
<td>Clearinghouse</td>
<td>2.92%</td>
</tr>
<tr>
<td>Hospital</td>
<td>6.20%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>25.18%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

Total 274
Confidence in ability to bill with ICD-10 on October 1, 2015?
- Confident – 44%
- Neutral – 15%
- Somewhat – 22%
- Not – 12%
- Will not be ready -7%

Planning to test with SD Medicaid?
- Yes – 53%
- No – 15%
- Uncertain – 32%
Work with Clearinghouse or Billing Agent?

- Yes
- No
South Dakota Has Made Great Strides!

• Working on remediation efforts since August 2013
• Impact Analysis completed
• Implementation Plan
  • Business and System Requirements Defined
• Communication and Training Plan
  • ICD-10 Webpage
  • ICD-10 Mailbox
  • Awareness Training
  • ListServ messages
• Risk and Contingency Planning
• Business and System requirements
• ICD-9 to ICD-10 code translations
• Resource Updates
• User Acceptance Testing
• End-to-End Testing
• Provider Readiness Survey
End-to-End (E2E) Testing

- South Dakota Medicaid is ready to perform end-to-end (E2E) testing
- E2E testing focuses on the ability of trading partners to exchange ICD-10 transactions with the Medicaid Management Information System (MMIS)
- E2E testing will validate:
  - Provider and trading partner systems
  - Remediated business processes
  - Payment policies
  - Claims adjudication rules and edits
Testing Timeline

6/10/2015
E2E Outreach Began

6/15/2015
Long Term Care, Inpatient and Outpatient Claim Types Ready

7/1/2015
Physician Claim Type Ready

7/8/2015
Clinic Claim Type Ready

7/10/2015
DME, Vision, and Transportation Claim Types Ready

7/13/2015
Home Health Claim Type Ready

8/31/2015
E2E Testing Ends
End-to-End (E2E) Testing Methods

- **LaunchPad**
  - Verify that you have current log in credentials
  - Log in to LaunchPad
  - Select Test Internet Applications - “DP96X12Medx” and then follow the standard process for uploading claim batches
  - Please use a subset of claims (week, month, etc.) already sent to the state so the demographic information on each claim is different (provider ID, patient ID, etc.) and there is a wide array of test claims. Submit a file with these original claims “as is” to the state with the existing ICD-9 codes.
  - Then re-code those same claims with the new date of service (3/1/2015) with the appropriate ICD-10 code and submit that file to the state. The result should be two files submitted with equal number of claims, matching demographic information, but different dates of service and ICD codes.
A Few things for your consideration:

- All ICD-10 testing occurs in a test environment

- For the purposes of testing we are using 3/1/2015 as 10/1/2015 date

- We encourage you to re-use ICD-9 claims that have been previously submitted, processed and paid. For ICD-10 claims, please consider modifying the ICD-9 claim to have ICD-10 codes and with dates of services on or after 3/1/2015.

- Use “T” indicator in the ISA 15 segment so they don’t process as production

- We don’t have any limit on number claims that you can submit, but if you are planning to submit more than 1,000 claims do let us know

- We strongly encourage to use the Launchpad application to upload the files to the State or we would request you to give us access to your SFTP server so that we can connect to your server and download the files from there
End-to-End (E2E) Testing Methods

- **CollabT**
  - The testing partner, defined as any trading partner (healthcare organization, individual provider, clearinghouse, or billing organization), completes the registration process and receives system access [see below for details]
  - SD Medicaid creates a workspace in the tool called a test program. This workspace acts as a collaborative environment where the testing can occur [example: a ‘diabetes’ test program].
  - SD Medicaid populates the test program area with test scenarios that reflect the specific business objective, claim type, or specialty associated with the test program [example: 7 different medical situations that are associated with diabetes]
  - The testing partner logs into the CollabT system and reviews their assigned test programs and test scenarios
  - The testing partner then re-codes the given test scenarios in ICD-10 and submits the results
  - CollabT creates a claim file and sends it to SD Medicaid for processing
  - SD Medicaid submits the results back into CollabT, which makes them available to the testing partner
  - The testing partner can look up the results of their ICD-10 coding input within the tool itself
End-to-End (E2E) Testing Methods

• **Paper**
  
  • Please write “ICD-10 Test Claim” across the top of the claim form
  
  • Send test claims to:
    
    ICD-10 Testing  
    Nordstrom Building  
    521 E. Sioux Ave  
    Pierre, SD 57501
  
  • On a separate piece of paper, please include your contact information including a phone number and/or email address, in case there are any questions about the test claims that you submitted
  
  • Once received, SD Medicaid will process your claims and generate a Remittance Advice (RA). Please allow up to 15 business days for the RA to be generated and mailed to you based on the claim type you are submitting.
Moving to ICD-10 Codes in South Dakota Medicaid

ICD-10 Provider Readiness Survey

In preparation for the implementation of ICD-10, South Dakota Medicaid is requesting provider feedback to assist in assessing provider readiness for the ICD-10 October 1, 2015 compliance date. This survey is estimated to take no more than 5 minutes.

What is ICD-10?

Beginning October 1, 2015 all providers billing South Dakota Medicaid will be required by the United States Department of Health and Human Services (HHS) to use billing codes outlined in the International Classification of Diseases, 10th Edition (known as ICD-10). The federal mandate requires all health plans, clearinghouses, and healthcare providers to use ICD-10 diagnosis and procedure codes. South Dakota Medicaid is preparing for the change from ICD-9 to ICD-10 for the effective date, October 1, 2015.

ICD-10 consists of two parts:
1. ICD-10-CM (Clinical Modification) for diagnosis coding
2. ICD-10-PCS (Procedure Coding System) for inpatient procedure coding

ICD-10-CM is used in all U.S. health care settings and uses 3 to 7 alphanumeric characters instead of the current 3 to 5 digit codes (numeric, with the exception of E and V codes) used by ICD-9-CM, Volume 1 & 2.

Providers
- Become a Provider
- Cost Reports
- Enhanced PCP Payment Program
- Frequently Asked Questions
- Fee Schedules
- Home and Community Based Services
- Health Homes
- ICD-10 Implementation
- Join our Listserv
- Managed Care Program
- Medicaid Electronic Health Records
- Incentive Payment Program
South Dakota ICD-10 Resources

SD Medicaid ICD-10 Webpage:
http://dss.sd.gov/medicaid/providers/icd10.aspx

Telephone Services Unit:
(800) 452-7692 – In-State
(605) 945-5006 – Out-of-State

SD Medicaid ICD-10 Mailbox:
ICD10@state.sd.us
Specialty References

Select a profile below to explore the common codes, primers for clinical documentation, clinical scenarios, and additional resources associated with each specialty. You can also get started on your own plan now by choosing BUILD YOUR ACTION PLAN below.

Family Practice  Pediatrics  OB/GYN  Cardiology
Orthopedics  Internal Medicine  Other Specialty

CMS Website: http://www.cms.gov/Medicare/Coding/ICD10/ProviderResources.html
### ABDOMINAL PAIN (ICD-9-CM 789.00 TO 789.09 RANGE)

<table>
<thead>
<tr>
<th>ICD-10-CM Codes</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>R10.0</td>
<td>Acute abdomen</td>
</tr>
<tr>
<td>R10.10</td>
<td>Upper abdominal pain, unspecified</td>
</tr>
<tr>
<td>R10.11</td>
<td>Right upper quadrant pain</td>
</tr>
<tr>
<td>R10.12</td>
<td>Left upper quadrant pain</td>
</tr>
<tr>
<td>R10.13</td>
<td>Epigastric pain</td>
</tr>
<tr>
<td>R10.2</td>
<td>Pelvic and perineal pain</td>
</tr>
<tr>
<td>R10.30</td>
<td>Lower abdominal pain</td>
</tr>
<tr>
<td>R10.31</td>
<td>Right lower quadrant pain</td>
</tr>
<tr>
<td>R10.32</td>
<td>Left lower quadrant pain</td>
</tr>
<tr>
<td>R10.33</td>
<td>Periumbilical pain</td>
</tr>
<tr>
<td>R10.84</td>
<td>Generalized abdominal pain</td>
</tr>
<tr>
<td>R10.9*</td>
<td>Unspecified abdominal pain</td>
</tr>
</tbody>
</table>

*Codes with a greater degree of specificity should be considered first.*

### ACUTE RESPIRATORY INFECTIONS (ICD-9-CM 462, 465.9, 466.0)

**[NOTE: ORGANISMS SHOULD BE SPECIFIED WHERE POSSIBLE]**

### BACK AND NECK PAIN (SELECTED) (ICD-9-CM 723.1, 724.1, 724.2, 724.5)

### CHEST PAIN (ICD-9-CM 786.50 TO 786.59 RANGE)

### DIABETES MELLITUS W/O COMPLICATIONS TYPE 2 (ICD-9-CM 250.00)

### GENERAL MEDICAL EXAMINATION (ICD-9-CM V70.0)
Additional Resources

- www.CMS.gov/ICD10
- http://www.roadto10.org/
- www.AHIMA.org
- www.AAPC.com
- http://www.icd9data.com/
- https://www.aapc.com/icd-10/codes/