Administrative Simplification:
United States Implementation of ICD-10

Tom Williams, DrPH
CAHP Annual Conference
October 16, 2012
Walking Into a Lamppost? Hurt While Crocheting? Help Is on the Way

New Medical-Billing System Provides Precision; Nine Codes for Macaw Mishaps

By ANNA WILDE MATHEWS

Today, hospitals and doctors use a system of about 18,000 codes to describe medical services in bills they send to insurers. Apparently, that doesn't allow for quite enough nuance.

A Code for What Ails You

Search for diagnoses codes from the International Classification of Diseases, 10th Revision, by typing in a keyword. We've provided a few to get you started.

A new federally mandated version will expand the number to around 140,000—adding codes that describe precisely what bone was broken, or which artery is receiving a stent.

It will also have a code for recording that a patient's injury occurred in a chicken coop. (See code.)
A Code for What Ails You

Today, hospitals and doctors use a system of about 18,000 codes to describe medical services in bills they send to insurers. A new federally-mandated version will expand the number to around 140,000, adding codes that can describe precisely what bone was broken and where the patient got hurt, from art galleries to chicken coops. Search for diagnosis codes from the U.S. edition of the International Classification of Diseases, 10th Revision -- by typing in a keyword. We've provided a few to get you started.

See article: Walked Into a Lamppost? Hurt While Crocheting? Help Is on the Way

Source: Centers for Medicare and Medicaid Services

Suggested Searches | Click on the buttons below, or enter a term in the search field

Medical Terms

- Things that Bite
- Struck by...

- Turtles
- Chickens
- Macaws

- Opera houses
- Lampposts
- Mobile homes

- Waterski
- Crochet

Bitten

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What is ICD-10 Implementation

- ICD-10-CM (Clinical Modification) code set
  - Diagnosis codes used in all healthcare settings
  - Replaces ICD-9-CM volumes 1 and 2

- ICD-10-PCS (Procedure Coding System) code set
  - Procedure codes used in inpatient facility settings
  - Replaces ICD-9-CM volume 3

- Notes:
  - No changes to CPT and HCPCS codes
  - HIPAA standards for electronic transactions version 5010 replaced versions 4010/4010A1 on 1/1/2012 (5010 framework required to accommodate ICD-10 code sets)
Key Differences

- Field lengths, code composition
- Available codes
  - \(\sim 68,000\) (vs. \(\sim 13,000\)) diagnosis codes
  - \(\sim 72,000\) (vs. \(\sim 3,000\)) inpatient procedure codes
- Amount of detail embedded within codes
  - S52123C, Displaced fracture of head of unspecified radius, initial encounter for open fracture type IIIA, IIIB, or IIIC
    - \textit{ICD-9-CM}: 813.15, Open fracture of head of radius
  - 04104J3, Bypass Abdominal Aorta to Right Renal Artery with Synthetic Substitute, Percutaneous Endoscopic Approach
    - \textit{ICD-9-CM}: 3924, Aorta-renal Bypass
What/Who Does ICD-10 Impact?

- Required for all claims received for encounters and discharges occurring on or after compliance date
- All HIPAA covered entities (required) and other entities using ICD-9 codes, such as:
  - Hospitals and healthcare practitioners and institutions
  - Health insurers and other third-party payers
  - Clearinghouses
  - Hardware and software manufacturers and vendors
  - Billing and practice-management service providers
  - Healthcare administrative and oversight agencies
  - Public and private healthcare research institutions
  - Workers comp programs and life insurance companies
When is the ICD-10 Deadline?

- **10/1/2014 compliance date** (changed from 10/1/2013)

- Costs due to one-year delay are estimated to be offset by avoidance of costs associated with unprepared providers
  - Manual claims processing
  - Impact of delayed payments on small providers
Why Implement ICD-10?

- U.S. using ICD-9 codes for over 30 years
- ICD-9 limits operations, reporting and analytics:
  - Outdated terminology; inconsistent with current medical practice
  - Limited number of new codes can be created; some categories full
  - Codes lack specificity and detail to process claims and reimbursement accurately and capture detailed data analytics

- ICD-10, introduced by World Health Organization (WHO) in 1992, is international standard for disease and mortality monitoring and reporting (U.S. only industrialized nation not using ICD-10)
  - ICD-11 will build on ICD-10 (earliest possible WHO implementation date is 2020)
Benefits of ICD-10 Implementation

- Better reflects current medical technology and treatment
- Improved payment and reimbursement accuracy
- Structure accommodates addition of new codes
- Expanded data capture to better support
  - Quality, safety, efficacy, resource utilization measurement
  - Improved disease pattern analysis and management
  - Tracking and response to public health outbreaks
  - Prevention and detection of fraud and abuse
  - Research, epidemiological studies and clinical trials
  - Setting health policy
Key Risks and Challenges

- Major (largest?) change to hit healthcare industry
- Clinical documentation must support increased specificity
- Potential initial impact on revenue streams and operations
  - Canada: large learning curve/loss of productivity (average coding time, turnaround time and coding backlog initially doubled shortly after implementation)
  - Lack of payer readiness, increased scrutiny, documentation requests and/or coding quality issues leading to payment delays, higher call volumes
  - Efforts to take advantage of more precise ICD-10 code sets to change reimbursement
  - Inpatient hospitals may be most at risk
    - DRG classification based on ICD-9-CM diagnosis and procedure coding
    - ICD-10 –CM mapping may produce different reimbursement results