ICD-10-CM/PCS Transition
Fact Sheet

Contents

Implementation Delay

Recent legislative activity delays ICD-10-CM implementation to 10/01/2015, at the earliest. Passed by both the house and the senate, section 212, of HR 4302 states "The Secretary of Health and Human Services may not, prior to October 1, 2015, adopt ICD–10 code sets as the standard for code sets under section 1173(c) of the 13 Social Security Act (42 U.S.C. 1320d–2(c)) and section 14 162.1002 of title 45, Code of Federal Regulations."

The president signed this legislation into law on April 1, 2014.

We will be looking to the Centers for Medicare and Medicaid Services to provide guidance on a new implementation date.

Despite the official implementation delay, Reed Group will forge ahead with its plans to incorporate the ICD-10-CM code set into its products. We believe it is in the best interest of our company and our clients to continue working towards a full deployment of the ICD-10-CM code set. Our preparedness will give clients opportunities to test and validate their use of our data.

What is ICD-10?

ICD-10 is a diagnostic coding system developed by the World Health Organization (WHO) in 1993 to replace ICD-9. ICD-10 is used in almost every country, except the U.S.

In the U.S., the ICD-10 coding system has been clinically modified to report disease morbidity as well as mortality data and inpatient procedures.

ICD-10-CM represents the U.S. clinical modification of the code set. ICD-10-CM is planned as the replacement for ICD-9-CM, volumes 1 and 2. ICD-10-CM is published by the Centers for Medicare and Medicaid Services (CMS). Often referred to as "ICD-10," the correct name for this US code set is "ICD-10-CM." The "CM" distinguishes this code set from the international version which is not used in the U.S.

The final rule issued by the U.S. Department of Human & Health Services (HHS) stated that CPT® would remain the procedural coding system for physician services.

In summary:

- ICD-10-CM is for diagnosis coding and will be used in all U.S. health care settings.
- CPT® remains the procedural coding system for all U.S. physician services; these codes are copyrighted by the AMA, whereas ICD-10-CM remains in the public domain.

An important distinction for Reed Group clients to understand:

- ICD-10 is used internationally. Reed Group has provided this code set within our current products for over a decade to serve our international clients.

- ICD-10-CM is a distinct code set that has been modified for use in the U.S. These code sets have not yet been implemented in the U.S. and have not yet been released for Reed Group clients.

When will ICD-10-CM be effective?

Due to the recent passing of HR 4302 which was signed into law by the President on April 1, 2014, the implementation date has been delayed. We will be looking to the Centers for Medicare and Medicaid to provide guidance on a new implementation date.

Will there be a grace period for the implementation of the ICD-10-CM code set?

Provider and hospital claims filed for dates of service, or discharge dates, on or after the implementation date, must contain ICD-10-CM.

Why are we changing from ICD-9-CM?

ICD-9-CM has several shortcomings. The structure of the code set does not have room to expand. As advances in medical science and technology allow for new diagnoses and procedures, the current system is unable to accommodate the new codes they require.

The United States is the last developed country using ICD-9. As such, our efforts to accurately track and report on disease patterns, treatment outcomes and respond on a worldwide basis to epidemics are hampered.

The ICD-10-CM code set provides much greater specificity and will benefit patients and providers by providing more detailed diagnosis and treatment information. Payers will benefit from more accurately defined services, and international organizations will have the specificity they need to better analyze disease patterns and treatment outcomes.

The new code set provides:

- information relevant to ambulatory and managed care encounters;
- expanded injury codes;
- combination diagnosis/symptom codes to reduce the number of codes needed to fully describe a condition;
- sixth and seventh characters have been added to capture more medical information in the code;
- incorporation of common 4th and 5th digit sub-classifications;
- laterality (such as left-right distinctions);
- greater specificity in code assignment
- a new structure that will allow for greater expansion than was possible with ICD-9-CM.

The ultimate goal of implementing ICD-10-CM is to streamline claims, provide more accurate reimbursement, support quality measurement efforts, curb fraud and abuse, and offer better analysis of disease patterns and treatment outcomes that can advance medical care.

Who is required to switch to ICD-10-CM?

In the final rule released by HHS, everyone covered by the Health Insurance Portability and Accountability Act (HIPAA) must implement ICD-10-CM. HIPAA covered entities include health plans, health care clearinghouses, and health care providers that transmit health information electronically.

Examples of HIPAA covered entities include:

- Doctors
- Clinics
- Psychologists
- Dentists
- Chiropractors
- Nursing Homes
- Pharmacies
- Medical, Dental, and Vision Plans
- HMOs
- Medicare and Medicaid
- Medicare + Choice and Medicare Supplement Insurers

- Long-Term Care Insurers (excluding nursing home fixed-indemnity policies)
- Veterans Health Plans
- Billing Services
- Re-pricing Companies
- Community Health Management Information Systems
- Value-added networks and switches if these entities perform clearinghouse functions.

ICD-9-CM will no longer be maintained after ICD-10-CM is implemented. It is in the best interest of non-covered entities (e.g., workers' compensation, auto insurance companies) to use the new coding system.

How is ICD-10-CM different from ICD-9-CM?

ICD-10-CM vs. ICD-9-CM (Volumes 1 & 2): Diagnosis Codes

	ICD-9-CM (Volumes 1 & 2)	ICD-10-CM
Volume of Codes	Approximately 14,000	Approximately 68,000
Code Composition	Mostly numeric, some alphanumeric. Codes are 3 – 5 digits in length The first digit is either numeric or alpha (the letters E or V only) and all other digits are numeric.	Alphanumeric. Codes are 3 – 7 digits in length The first digit is always alpha (it can be any letter except U), the second digit is always numeric, and the remaining five digits can be any combination.
Duplication across Code Sets	None – all codes are unique.	None – all codes are unique.

Is there a mapping between ICD-9-CM to ICD-10-CM?

Mapping

Mapping (also referred to as a crosswalk) is a process by which general concepts in 2 code sets are linked. A mapping represents one-to-one relationships, one-to-many relationships, and many-to-many relationships. No consideration is given to the information in the patient medical record.

The Centers for Medicare & Medicaid Services (CMS) has created general equivalency mappings (GEMs).The GEMs link general concepts in ICD-9-CM and ICD-10-CM without consideration of the patient medical record. With this in mind, GEM files can be used to convert databases from ICD-9-CM to ICD-10-CM. GEM files can be helpful in converting:

- payment systems;
- quality measures;
- payment and coverage edits;
- research applications involving trend data; and
- risk adjustment logic
- ICD-9-CM based applications to ICD-10-CM

GEM files are free and publicly available for download. To access ICD-10-CM codes, descriptions, and GEM files, click here.

It is important to note that the general equivalency mapping files are just that, general equivalencies. Very few ICD-9-CM codes have exact equivalents in ICD-10-CM and vice versa. ICD-10-CM codes were created to capture and communicate the maximum amount of medical information possible. This same granularity is not found in ICD-9-CM. As an example, Emphysema is described by choosing one of two codes in ICD-9-CM today. In ICD-10-CM, five codes choices are possible and only the information available within the patient record will be able to determine the most appropriate selection.

Coding

Mapping and coding are different. Coding is based on the information provided in the patient medical record and applies applicable coding rules and guidelines to assign the most appropriate code. Coding is required for individual claims.

Is there a one-to-one relationship between ICD-9-CM and ICD-10-CM codes?

According to the GEM files, 24% of forward mapped diagnostic codes (ICD-9-CM to ICD-10-CM) have an exact match. Forty-nine percent of forward mapped codes have an approximate match and nearly 19% of forward mapped codes require further review.[1]

Mapping Categories	ICD-9-CM to ICD-10-CM (forward mapping)	ICD-10-CM to ICD-9-CM (backward mapping)
No match	3.0%	1.2%
1:1 Exact match	24.2%	5.0%
1:1 Approx. match with 1 choice	49.1%	82.6%
1:1 Approx. match with multiple choices	18.7%	4.3%
1:Many matches with 1 scenario	2.1%	6.6%
1:Many matches with multiple scenarios	2.9%	0.2%

Examples of coding relationships:

The ICD-9-CM code 733.6 (Tietze's syndrome) maps directly to the ICD-10-CM code M94.0. (An exact map does not always mean the codes match in detail.)

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[1] American Medical Association (http://www.ama-assn.org/ama1/pub/upload/mm/399/crosswalking-between-icd-9-and-icd-10.pdf)

The ICD-9-CM code 422.91 (idiopathic myocarditis) has an approximate match to ICD-10-CM code I40.1 (Isolated Myocarditis).

The ICD-9-CM code 649.51 (spotting complicating pregnancy) requires information on the stage of pregnancy to map. Three options are available:

- O26.851 (spotting complicating pregnancy, first trimester);
- O26.852 (spotting complicating pregnancy, second trimester);and
- O26.853 (spotting complicating pregnancy, third trimester).

There are many other examples that require significantly more specificity and map to many more ICD-10-CM codes. For example, the ICD-9-CM code 962.9 (poisoning by hormones and synthetic substitutes) has sixteen corresponding ICD-10-CM codes that require information about the cause of the poisoning and type of encounter.

There are other extreme examples of a single ICD-9-CM code corresponding to thousands ICD-10-CM codes. One such example is found with the ICD-9-CM code 733.82 (other disorders of bone and cartilage, nonunion of fracture) which has 2530 corresponding ICD-10-CM codes due to the degree of specificity required in ICD-10-CM.

How often are the code sets updated?

The ICD-9-CM Coordination and Maintenance Committee implemented a partial freeze of the ICD-9-CM and ICD-10-CM code set.

- The last regular, annual updates to both ICD-9-CM and ICD-10-CM code sets were made on October 1, 2011.
- On October 1, 2012 and October 1, 2013 there will be only limited code updates to both the ICD-9-CM and ICD-10CM code sets to capture new technologies and diseases
- On October 1, 2014, there will be only limited code updates to ICD-10-CM code set to capture new technologies and diagnoses. There will be no updates to ICD-9-CM, as it will no longer be used for reporting.
- On October 1, 2015, regular updates to ICD-10-CM will begin.

How do ICD-9-CM diagnostic categories align with those from ICD-10-CM?

ICD-9-CM Diagnostic Categories	ICD-9-CM Code Range	ICD-10-CM Diagnostic Categories	ICD-10-CM Code Range
Infectious And Parasitic Diseases	001-139	Certain infectious and parasitic diseases	A00-B99
Neoplasms	140-239	Neoplasms	C00-D49
Diseases Of The Blood And Blood-Forming Organs	280-289	Diseases of the blood and blood-forming organs and certain disorders involving the immune mechanism	D50-D89
Endocrine, Nutritional And Metabolic Diseases, And Immunity Disorders	240-279	Endocrine, nutritional and metabolic disease	E00-E89
Mental Disorders	290-319	Mental, behavioral and neurodevelopmental disorders	F01-F99
Diseases Of The Nervous System	320-389	Diseases of the nervous system	G00-G99
Diseases Of The Nervous System	320-389	Diseases of the eye and adnexa	H00-H59
Diseases Of The Nervous System	320-389	Diseases of the ear and mastoid process	H60-H95
Diseases Of The Circulatory System	390-459	Diseases of the circulatory system	I00-I99
Diseases Of The Respiratory System	460-519	Diseases of the respiratory system	J00-J99
Diseases Of The Digestive System	520-579	Diseases of the digestive system	K00-K95
Diseases Of The Skin And Subcutaneous Tissue	680-709	Diseases of the skin and subcutaneous tissue	L00-L95
Diseases Of The Musculoskeletal System And Connective Tissue	710-739	Diseases of the musculoskeletal system and connective tissue	M00-M99
Diseases Of The Genitourinary System	580-629	Diseases of the genitourinary system	N00-N99
Complications Of Pregnancy, Childbirth, And The Puerperium	630-679	Pregnancy, childbirth and the puerperium	O00-O9A
Certain Conditions Originating In The Perinatal Period	760-779	Certain conditions originating in the perinatal period	P00-P96
Congenital Anomalies	740-759	Congenital malformation, deformation and chromosomal abnormalities	Q00-Q99
Symptoms, Signs, And Ill-Defined Conditions	780-799	Symptoms, signs and abnormal clinical and laboratory findings, not elsewhere classified	R00-R99
Injury And Poisoning	800-999	Injury, poisoning and certain other consequences of external causes	S00-T88
Supplementary Classification Of External Causes Of Injury And Poisoning	E000-E999	External causes of morbidity	V00-Y99
Supplementary Classification Of Factors Influencing Health Status And Contact With Health Services	V01-V91	Factors influence health status and contact with health services	Z00-Z99

What is Reed Group doing to prepare for the transition from ICD-9-CM to ICD-10-CM?

GEM files and assignment of codes

In order to include the ICD-10-CM code set Reed Group used a two-pronged method. First, we programmatically updated both the monographs (MDA topics) and the duration tables by using the CMS GEM files. According to the final GEM User's Guide:

- The I-10 to I-9 GEM can be used to convert I-9 based systems or applications to I-10 based applications, or create backwards mappings from incoming I-10 based records to I-9 based legacy systems (page 7).

Accordingly, we used only the ICD-10-to-ICD-9 files. We accepted the approximate flag values of both 0 and 1, meaning that we allowed for approximate matches (1=approximate). The matching method provided the desirable results (a plenitude of appropriate matches).

Second, we manually review the matching. This review, which will be ongoing, involves looking at over 1,000 monographs, most of which contain at least one disability duration table. Using a third-party publication, we examine the codes that are associated with the monograph and with the duration tables, and we add or delete codes as semantic and clinical knowledge dictate.

Grooming of ICD-9-CM code assignments

In working with the ICD-10-CM data set and performing the manual review of codes, Reed Group has refined the ICD-9-CM codes associated with our topics and durations. Only billable codes (i.e., diagnoses coded to the greatest specificity allowed in the code set) have equivalents in the ICD-10-CM code set.

Our refined coding means that category codes such as 354 (Mononeuritis of Upper Limb and Mononeuritis Multiplex - commonly used for Carpal Tunnel) is no longer associated with our Carpal Tunnel topic or duration table and does not have an equivalent in ICD-10-CM. Rather, the more specific code, 354.0 (Carpal Tunnel Syndrome) is associated with our topic and has multiple matches in ICD-10-CM.

Transition goals

We are not coding experts. We provide codes as navigation tools. With approximately 68,000 codes in the ICD-10-CM code set, our challenge is <u>not</u> to provide every code possible, but to guide users to the most appropriate topics and durations. Final coding decisions, in which the most appropriate code is assigned according to the information provided in the patient medical record, will require human intervention.

When will Reed Group implement ICD-10-CM?

Internet

When will ICD-10-CM codes be available on the DisabilityGuidelines (formerly MDGuidelines) website?

The beta version of ICD-10-CM codes is currently available in our online product, DisabilityGuidelines.

Will Reed Group continue to provide ICD-9-CM codes via the Internet?

Yes. ICD-9-CM codes will continue to be available as they are today. We will work closely with our customers to understand their continued need for this code set and will phase it out as this need dissipates. We anticipate this will happen within 3-4 years.

Will Reed Group provide a look-up tool to find ICD-9-CM / ICD-10-CM code equivalents?

Yes. We are developing a tool that will utilize the CMS (Centers for Medicare and Medicaid Services) GEM (General Equivalence Mapping) files to provide ICD-9-CM to ICD-10-CM equivalents.

Will the predictive model accept ICD-10-CM codes?
Yes. Using the GEM files, we have mapped all of our ICD-9-CM data to ICD-10-CM code equivalents.

Web services

When will ICD-10-CM codes be available via web services?
Beginning June 2, a new standard web service that supports ICD-10-CM data will be available on our production site. The ICD-10-CM data itself, however, will be available at a date that has not yet been determined. The web service will provide graceful error handling when ICD-10-CM data are not available. This will allow our clients to make their code changes several months in advance of the nationwide go live.

Will there be changes for developers to make in order to use our new standard web service?
Yes. Since the ICD-10-CM implementation will require code changes, we're taking this opportunity to standardize and modernize our web service suite. While we are improving the new service, we do not anticipate that the development changes for our customers will be large and we're timing these changes together so you'll only have to update your code once. A web service specification, including code examples, will be provided.

Do we have to change to the new standard web service?
Yes. Companies can continue to use the web service calls they have in place today; however, ICD-10-CM codes and results will not be acceptable inputs / outputs.

Eventually, we will discontinue the old web services. By that time, customers will have been required to implement the new standard web services. We expect the discontinuation date to occur sometime in 2015. When the exact date is determined, we will provide additional information.

Our company uses web services. Will Reed Group be sending us information on the new standard web service?
Yes. Starting June 2nd, if you are a current web service client, we will be sending out updated developer documentation.

When can we start testing?
Beginning June 2, a new standard web service that supports ICD-10-CM data will be available on our production site. The ICD-10-CM data itself, however, will be available at a date that has not yet been determined. The web service will provide graceful error handling when ICD-10-CM data are not available. This will allow our clients to make their code changes several months in advance of the nationwide go live.

Will Reed Group continue to provide results for ICD-9-CM codes via web services?

Yes. ICD-9-CM codes will continue to be available as they are today. We will work closely with our customers to understand their continued need for this code set and will phase it out as this need dissipates. We anticipate this will happen within 3-4 years.

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