ICD-10-CM/PCS Transition
Fact Sheet
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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

<table>
<thead>
<tr>
<th></th>
<th>ICD-9-CM (Volumes 1 &amp; 2)</th>
<th>ICD-10-CM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume of Codes</td>
<td>Approximately 14,000</td>
<td>Approximately 68,000</td>
</tr>
<tr>
<td>Code Composition</td>
<td>Mostly numeric, some alphanumeric.</td>
<td>Alphanumeric.</td>
</tr>
<tr>
<td></td>
<td>Codes are 3 – 5 digits in length</td>
<td>Codes are 3 – 7 digits in length</td>
</tr>
<tr>
<td></td>
<td>The first digit is either numeric or alpha (the letters E or V only) and all other digits are numeric.</td>
<td>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.</td>
</tr>
<tr>
<td>Duplication across Code Sets</td>
<td>None – all codes are unique.</td>
<td>None – all codes are unique.</td>
</tr>
</tbody>
</table>

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

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

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.)

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