

What You Should Know about ICD-10 Codes

Know the Facts, Timing and Impact



Abstract

Moving to ICD-10 CM/PCS will require a tremendous effort and can incur incredible cost for private health care organizations. The root of the issue, as we have recently learned from the HIPAA Format 5010 transition, goes much deeper than merely upgrading billing staff acumen. It stems from legacy software systems that continue to function on outdated procedures and codes. As an industry we've learned that if a practice's HIT partner cannot respond quickly and accurately to regulatory changes, both billing staff performance and payer collections are negatively affected. Now, months after the January 1st cut-off occurred and retired the 4010 standard, medical practices are starting to recognize the

value of software automation and system sophistication—billing technologies with the capability of managing more than 120,000 new ICD-10 codes in a way that allows simple, accurate look-up and application of codes in a busy clinical setting. In addition, two-year support of both code types will further complicate productivity and billing performance. In a clinical setting, the detail provided in medical encounter documentation needs to be more comprehensive to support this much-expanded diagnosis coding and utilize the new ICD-10 codes. That's where effective software can give your medical practice a major advantage.

ADP AdvancedMD Medical Software Supports PCS & CM Code Sets

In the United States, the ICD-10 medical code set is basically comprised of two types: in-patient hospital procedure codes (ICD-10-PCS) and clinical modification diagnosis codes (ICD-10-CM). Regulations require a two-year transition period during which medical providers may have to submit either ICD-9 or ICD-10 codes to a specific payer as the industry migrates to this new medical code base. This adds another dimension of complexity that the billing software must be able to support. With ADP AdvancedMD medical software, we've got you covered!

Comprehensive Medical Coding = Better Research, More Accurate Reimbursement

The impetus for the move to ICD-10 medical codes is founded in the inability of the current ICD-9-CM medical code base to support data essential in furthering medical research, outcomes management, and improved reimbursement systems. In short, the ICD-9 system has run out of assignable new medical codes. Because the classification is organized scientifically, each three-digit category can have only ten subcategories. Numbers in most categories have already been assigned to medical diagnoses, and as medical science continues to make new discoveries there are no numbers left to assign to these new medical diagnoses—making it impossible to track and study them across large populations.

Detailed ICD-10-CM diagnosis codes, combined with powerful software-based medical informatics, enable better analysis of disease patterns and treatment outcomes, which can significantly advance medical care.

And since these diagnosis code details make the initial medical claim much easier for payers to understand and categorize, they can also streamline claims submissions.

Much has been said about the increase in the number of ICD-10 medical codes, but it should be noted that much of this growth is due to the designation of more lateral or specific diagnoses of related conditions. For example, while an ICD-9 code may simply identify a condition, such as a sprained ankle or foot (845.00), the new ICD-10 medical codes can identify the condition (sprain ankle S93.409), as well as several specific ligament involvements, such as calcaneofibular S43.50, deltoid S93.42, and tibiofibular S93.43.

This specificity of the new ICD-10 medical code set, which will be supported in future releases of ADP AdvancedMD medical software, enhances the ability of

researchers to more precisely track conditions, treatments and outcomes, and makes it possible for medical payers to more accurately identify related charges. ICD-10 codes also eliminate the confusion of having to combine medical codes under ICD-9-CM to describe a condition more accurately. For example, a single ICD-10-CM code can report a disease and its current manifestation (i.e., type II diabetes with diabetic retinopathy) instead of having to use two separate ICD-9-CM medical codes.

In fracture care, the new medical codes differentiate an encounter for an initial fracture; follow-up of fracture healing normally; follow-up with fracture in malunion or nonunion; or follow-up for late effects of a fracture. Likewise, the trimester is designated in obstetrical medical codes.

Facts, Timing and Impact of ICD-10 Medical Codes

Fact: ICD-10 replaces ICD-9 medical codes on October 1, 2013; this is an overhaul versus an update

Timing: There will be a transition period, prior to the October 1, 2013 go-live date, during which medical providers will have to submit either ICD-9 or ICD-10 codes, depending on the medical payers' readiness

Timing: Medical Practices will have to upgrade to the new 5010 electronic claims and transaction code requirements from the existing 4010 1A in order to accommodate the expansion in the ICD-10 codes; Health plans (large and small), medical health care clearinghouses, covered health care providers, and business associates are required to be compliant by January 1, 2012

Impact: To support this new level of medical coding, the provider encounter documentation will have to expand in terms of diagnosis detail. This is expected to cause a huge impact on medical provider habits

Impact: Since there is no longer a one-to-one relationship for many codes, medical billing coders will have to be retrained

Impact: Changes will be comprehensive, effecting medical coding operations, software systems, reporting, administration, registration and more

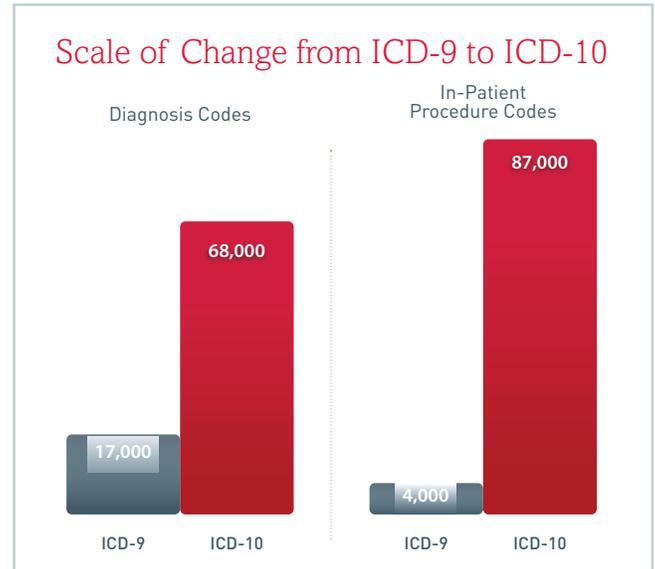
Expansion of ICD Medical Code Base

ICD-10 is a clinical diagnostic coding system first implemented by the World Health Organization (WHO) in 1993, and used in virtually every country outside of the United States. It replaces the current 1970s-vintage ICD-9 medical code set which, due to limitations in its fundamental numbering schema, cannot accommodate the additional codes required to support rapidly-expanding medical research and disease management details.

ICD-10-CM medical codes expand the current ICD-9-CM code base by nearly nine times—from 13,600 codes to more than 120,000. Additionally, code structure has increased in complexity, moving from predominantly numeric three to five digit ICD-9 codes to mixed alphanumeric ICD-10 codes that can contain up to seven digits. This increase in complexity requires automated code management features within both medical practice management software and billing software in order to improve productivity and accuracy of medical coding professionals.

ICD-10 Impact on the Medical Practice

- Productivity standards may have to be redefined, requiring more medical coding staff
- Existing staff will need to be retrained, some medical coders may even have to be sent back to school
- Medical providers will be required to provide more detailed diagnosis when documenting
- Each organization will need to develop an implementation plan



Comparison Table of ICD-9 & ICD-10 Diagnosis Medical Codes*

ICD-9-CM	ICD-10-C-CM
Approximately 13,600 codes	Approximately 120,000 codes
3-5 characters in length	3-7 characters in length
First digit may be alpha (E or V) or numeric; Digits 2-5 are numeric	First digit is alpha; Digits 2-5 are numeric; Digits 4-7 are alphanumeric
Limited space for adding new codes	Flexible for accommodating new codes
Lacks detail	Very specific
Difficult to analyze data due to non-specific codes	Specificity improves coding accuracy and data analysis for research
Does not support health data exchange with other countries	Supports health data exchange with other countries

Diagnosis Code

Moving to ICD-10 CM/PCS will require a tremendous effort and can incur incredible cost for private health care organizations. The root of the issue, as we have recently learned from the HIPAA Format 5010 transition, goes much deeper than merely upgrading billing staff acumen. It stems from legacy software systems that continue to function on outdated procedures and codes. As an industry we've learned that if a practice's HIT partner cannot respond quickly and accurately to regulatory changes, both billing staff performance and payer collections are negatively affected. Now, months after the January 1st cut-off occurred and retired the 4010 standard, medical practices are starting to recognize the value of software automation and system sophistication—billing technologies with the capability of managing more than 120,000 new ICD-10 codes in a way that allows simple, accurate look-up and application of codes in a busy clinical setting. In addition, two-year support of both code types will further complicate productivity and billing performance. In a clinical setting, the detail provided in medical encounter documentation needs to be more comprehensive to support this much-expanded diagnosis coding and utilize the new ICD-10 codes. That's where effective software can give your medical practice a major advantage.

Diagnosis Codes for Sprained & Strained Ankles

ICD-9

- 845.00 Sprain and strain of ankle unspecified site
- 845.01 Sprain and strain of ankle, Deltoid ligament/ Internal collateral ligament
- 845.02 Sprain and strain of ankle, Calcaneofibular (ligament)
- 845.03 Sprain and strain of ankle, Tibiofibular (ligament) distal

ICD-10

- S93.401A Sprain of unspecified ligament of right ankle – initial encounter
- S93.401D Sprain of unspecified ligament of right ankle – subsequent encounter
- S93.401S Sprain of unspecified ligament of right ankle – sequela
- S93.402A Sprain of unspecified ligament of left ankle – initial encounter
- S93.402D Sprain of unspecified ligament of left ankle – subsequent encounter
- S93.402S Sprain of unspecified ligament of left ankle – sequela
- S93.409A Sprain of unspecified ligament of unspecified ankle – initial encounter
- S93.409D Sprain of unspecified ligament of unspecified ankle – subsequent encounter
- S93.409S Sprain of unspecified ligament of unspecified ankle – sequela
- S93.412D Sprain of calcaneofibular ligament of left ankle – subsequent encounter
- S93.412S Sprain of calcaneofibular ligament of left ankle – sequela
- S93.419A Sprain of calcaneofibular ligament of unspecified ankle – initial encounter
- S93.419D Sprain of calcaneofibular ligament of unspecified ankle – subsequent encounter
- S93.419S Sprain of calcaneofibular ligament of unspecified ankle
- S93.431A Sprain of tibiofibular ligament of right ankle – initial encounter
- S93.431D Sprain of tibiofibular ligament of right ankle – subsequent encounter
- S93.431S Sprain of tibiofibular ligament of right ankle – sequela
- S93.432A Sprain of tibiofibular ligament of left ankle – initial encounter
- S93.432D Sprain of tibiofibular ligament of left ankle – subsequent encounter
- S93.432S Sprain of tibiofibular ligament of left ankle – sequela
- S93.439A Sprain of tibiofibular ligament of unspecified ankle – initial encounter
- S93.439D Sprain of tibiofibular ligament of unspecified ankle – subsequent encounter
- S93.439S Sprain of tibiofibular ligament of unspecified ankle – sequela
- S93.491A Sprain of other ligament of right ankle (Internal collateral/ talofibular) initial encounter
- S93.491D Sprain of other ligament of right ankle (Internal collateral/ talofibular) subsequent encounter
- S93.491S Sprain of other ligament of right ankle (Internal collateral/ talofibular) sequela
- S93.492A Sprain of other ligament of left ankle, initial encounter
- S93.492D Sprain of other ligament of left ankle subsequent encounter
- S93.492S Sprain of other ligament of left ankle sequela
- S93.499A Sprain of other ligament of unspecified ankle initial encounter
- S93.499D Sprain of other ligament of unspecified ankle subs encounter
- S93.499S Sprain of other ligament of unspecified ankle (Internal collateral/talofibular) sequela
- S96.211A Strain of intrinsic muscle and tendon at right ankle and foot level initial encounter
- S96.211D Strain of intrinsic muscle and tendon at right ankle and foot level subsequent encounter
- S96.211S Strain of intrinsic muscle and tendon at right ankle and foot level sequela
- S96.212A Strain of intrinsic muscle and tendon at left ankle and foot level initial encounter
- S96.212D Strain of intrinsic muscle and tendon at left ankle and foot level subsequent encounter
- S96.212S Strain of intrinsic muscle and tendon at left ankle and foot level sequela
- S96.219A Strain of intrinsic muscle and tendon at ankle and foot level, unspecified side initial encounter
- S96.219D Strain of intrinsic muscle and tendon at ankle and foot level, unspecified side subs encounter
- S96.219S Strain of intrinsic muscle and tendon at ankle and foot level, unspecified side
- S96.811A Strain of other muscles and tendons at right ankle and foot level initial encounter
- S96.811D Strain of other muscles and tendons at right ankle and foot level subsequent encounter
- S96.811S Strain of other muscles and tendons at right ankle and foot level sequela
- S96.812A Strain of other muscles and tendons at left ankle and foot level initial encounter
- S96.812D Strain of other muscles and tendons at left ankle and foot level subsequent encounter
- S96.812S Strain of other muscles and tendons at left ankle and foot level sequela
- S96.819A Strain of other muscles and tendons at ankle and foot level, unspecified side initial encounter
- S96.819D Strain of other muscles and tendons at ankle and foot level, unspecified side subs encounter
- S96.819S Strain of other muscles and tendons at ankle and foot level, unspecified side sequela
- S96.911A Strain of unspecified muscle and tendon at right ankle and foot level initial encounter
- S96.911D Strain of unspecified muscle and tendon at right ankle and foot level subs encounter
- S96.911S Strain of unspecified muscle and tendon at right ankle and foot level sequela
- S96.912A Strain of unspecified muscle and tendon at left ankle and foot level initial encounter
- S96.912D Strain of unspecified muscle and tendon at left ankle and foot level subs encounter
- S96.912S Strain of unspecified muscle and tendon at left ankle and foot level sequela
- S96.919A Strain of unspecified muscle and tendon at ankle and foot level, unspec. side initial encounter
- S96.919D Strain of unspecified muscle and tendon at ankle and foot level, unspec. side subs encounter
- S96.919S Strain of unspecified muscle and tendon at ankle and foot level, unspec. side sequela

SCORECARD

No. of ICD-9 Codes

No. of ICD-10

4

72