Helping Physicians Succeed with ICD-10-CM
January 24, 2014

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Corporate Compliance
Agenda

• Executive Summary
• Clinical Roots of ICD-10
• Why physicians should care
• How ICD-10 will benefit physicians
• Taking control of ICD-10
• Personal Learning Experiences and Goals
• ICD-10 Resources
Last Call for ICD-9-CM

October 1, 2013 could be a day sentimental HIM Veterans raise a glass to a longtime friend – or perhaps foe. For October 1 signifies the end of an era; it is the effective date of the final ICD-9-CM update before ICD-10-CM/PCS codes kick in on October 1, 2014.

For those of us who have been maintaining ICD-9-CM since the code set’s implementation in 1979, this final ICD-9-CM code update is a historic occasion.” ICD-9-CM has one more year’s worth of last calls, with coders using this latest and last code set update until next October. A reflective toast to ICD-9-CM.

In 1979:

- **TOP MOVIES INCLUDED**: SUPERMAN THE MOVIE, THE DEER HUNTER, THE MUPPET MOVIE, ROCKY II
- **MARGARET THATCHER WS ELECTED PRIM MINISTER IN THE UK**
- **THE BOARD GAM TRIVIAL PURSUIT WAS LAUNCHED**
- **VISICALC BECAME THE FIRST SPREADSHEET PROGRAM**
- **POPULAR SONGS INCLUDED**: “MY SHARONA” BY THE KNACK; “HOT STUFF” AND “BAD GIRLS BY GLORIA GAYNOR; PINK FLOYD RELEASED “THE WALL”
- **THE AVERAGE COST OF A NEW HOUSE WAS $58,000**
- **THE AVERAGE INCOME WAS $17,500**
- **THE SONY WALKMAN DEBUTED, RETAILING FOR $200**
- **A GALLON OF GAS WAS 86 CENTS**
- **AVERAGE MONTHLY RENT WAS $280**
Sharp Physician Services
Past Presentations

• Past Presentations
  – ICD-10 Introduction
  – ICD-10 Impact on the Physician Office
  – Helping Physicians Succeed in ICD-10

• Additional Presentations
  – Office Coding Practice Workshop - Sharp HealthCare Spectrum
    • April 21-23, 2014
    • June, TBD
  – Physician Education
    • Documentation Tip Sheets
    • Precyse University – Computer Based Modules
      – Physician Specialty
      – Office Practice
    • Mobile Phone Applications
Executive Summary

• As the healthcare industry draws closer to the “go live” date, ICD-10 remains a polarizing topic among healthcare professionals.
• AMA (along with others) has urged CMS to eliminate ICD-10 implementation altogether.
• Many differing opinions concerning the transition to ICD-10, but in reality ICD-10 is necessary to all levels of a technologically progressive healthcare system.
• Given the magnitude of change happening in the U.S. healthcare delivery system, ICD-10 is a natural and necessary advancement that will address the critical gaps and operating flaws inherent in ICD-9.
Executive Summary

• ICD-9 is an antiquated classification that has a puzzling mixture of code descriptions-some very specific and others very broad.

• Implementing ICD-10 is a major undertaking for all healthcare professionals, who are faced with many other challenges.

• It is estimated that ICD implementation costs will range between $83,000 and $2.7 million depending on the healthcare organization or physician practice size, according to the AMA.
Clinical Roots: How Physicians Shaped ICD-10

- Dispelling myths that exist about ICD-10 is vital to ensure physician buy-in. (ICD-10 is not something that physicians are jumping up and down about’ especially with so many competing priorities)
- However, it is key that know its origins, purpose, and how physicians were deeply involved in shaping the new system to serve not only the reimbursement need, but also to provide a clinical tool to drive improvement in care data.
The biggest myth about ICD-10 that must be dispelled is that it was built solely as a payment system. (In fact, ICD-10 is built on a foundation of medical science and technology.)

American physicians and major healthcare organizations worked with the WHO to develop the advance in ICD-10. (Technical Advisory Panels)

While there is a great expansion of the number of codes available, ICD-10 is logically organized and based upon a limited number of core concepts.
Countries That Have Adopted ICD-10

The U.S. is one of the few developed nations that still has not transitioned to the ICD-10 system.

(Source: HealthStream ICD-10, White Paper “Helping Physicians Succeed in an ICD-10 World” 2013)
Why Physicians Should Care About ICD-10
Why Physicians Should Care About ICD-10

• Another myth regarding ICD-10 is only about hospital reimbursement.
• To the contrary, ICD-10 will affect every aspect of the physician’s practice, including:
  – Patient encounters
  – Clinical and financial workflow, and depending on circumstances, compensation and reimbursement
  – Future career opportunities.
Why Physicians Should Care About ICD-10

• All physician groups will be touched by ICD-10, including surgeons, hospitalists and physicians in ambulatory settings.

• From a high level, ICD-10 will improve medical communication by generating more detailed healthcare data which could result in advanced disease protocols and clinical pathways.

• On an individual level, ICD-10 will help physicians create an electronic trail which will help in receiving proper credit and payment for their services.
Why Physicians Should Care About ICD-10

• ICD-10 will also help physicians address big technology and healthcare reform initiatives that will impact care delivery and financing, including:
  – CMS’ Value-Based Purchasing
  – Pay for Performance programs (P4P)
  – Coordinated care models such as:
    • Accountable Care Organizations (ACOs)
    • Patient Centered Medical Homes (PCMHs)
  – Government’s Physician Quality Reporting System (PQRS)
Why Physicians Should Care About ICD-10

- Advancing from ICD-9 to ICD-10 provides crucial public health and disease surveillance organizations like the CDC, with greatly improved data to handle epidemics such as the swine flu.
- ICD-10 will assist in identifying a wider range of health and disease trends.
  - For example: During the West Nile virus outbreaks, severe acute respiratory syndrome (SARS) and the first anthrax incident, ICD-9 did not have proper codes to describe these events.
Why Physicians Should Care About ICD-10

• Finally, ICD-10 codes have the potential to yield more information about the quality of care.

• This improved data stream will support better understanding of complications, better design of clinically robust algorithms, and improve tracking of patient outcomes.
ICD-10 Data Will Benefit Physicians
ICD-10 Data Will(?) Benefit Physicians

• Physicians have reason to question the timing and value of ICD-10
  – Competing priorities
    • Regulatory changes
    • Technology changes
    • Industry changes

• Salt in the Wound(?)
ICD-10 Data Will(?) Benefit Physicians

• ICD-10 does offer potential value to physicians if…
  – Leveraged and utilized correctly
• If fully integrated, into clinical practice benefits exist.
• ICD-10 presents physicians with five benefits that have the potential to be major game changers.
1. Grow compensation and reimbursement

- ICD-9 codes were not originally developed with reimbursement in mind
- ICD-10 offers a more decisive system to determine payments
  - Greater detail on the quality of care provided.
- In turn, government payors, insurers, hospitals, health systems, medical groups and others will use ICD-10 granular data to determine accurate and fair compensation.
Key Point

• With the arrival of ICD-10, quality incentives are in jeopardy if the physician does not document to the level needed to attain the correct and more specific code selection.

• This is because the code is a reflection of how severely ill that patient was, and a sub-optimal code in ICD-10 will not provide support on why a certain amount of care was needed.

(Source: HealthStream ICD-10, White Paper “Helping Physicians Succeed in an ICD-10 World” 2013)
Key Point

• **Under** the government’s Value-Based-Purchasing program, physicians who do not provide precise documentation (e.g., laterality, specificity, anatomic site, etc.) to support the specificity of ICD-10 will experience reduced payments.

(Source: HealthStream ICD-10, White Paper “Helping Physicians Succeed in an ICD-10 World” 2013)
Key Point

• However, it is important to note that ICD-10 does not require a change in how physicians practice medicine or treat patients. Rather, it demands more accurate documentation and gives physicians more diagnostic choices to capture new data to ensure they are paid for the complex work they perform.

(Source: HealthStream ICD-10, White Paper “Helping Physicians Succeed in an ICD-10 World” 2013)
ICD-9-CM to ICD-10-CM

- 250.00  Diabetes mellitus without complication, type 11 or unspecified type, not stated as uncontrolled
- 250.01  Diabetes mellitus without complication, type 1, not stated as uncontrolled
- 251.2  Hypoglycemia, unspecified
- 272.0  Pure hypercholesterolemia
- 272.4  Other and unspecified hyperlipidemia
- 274.9  Gout, unspecified
- 276.69  Other fluid overload
- E11.9  Type 2 diabetes mellitus without complications
- E10.9  Type 1 diabetes mellitus without complications
- E16.2  Hypoglycemia, unspecified
- E78.0  Pure hypercholesterolemia
- E78.4  Other hyperlipidemia
- E78.5  Hyperlipidemia, unspecified
- M10.9  Gout, unspecified
- E87.70  Fluid overload, unspecified
- E87.79  Other fluid overload
ICD-9-CM to ICD-10-CM

- 380.10  Infective otitis externa, unspecified
- H60.00  Abscess of external ear, unspecified ear
- H60.01  Abscess of right external ear
- H60.02  Abscess of left external ear
- H60.03  Abscess of external ear, bilateral
- H60.10  Cellulitis of external ear, unspecified ear
- H60.11  Cellulitis of right external ear
- H60.12  Cellulitis of left external ear
- H60.13  Cellulitis of external ear, bilateral
- H60.311  Diffuse otitis externa, right ear
- H60.312  Diffuse otitis externa, left ear
- H60.313  Diffuse otitis externa, bilateral
- H60.319  Diffuse otitis externa, unspecified ear
- H60.321  Hemorrhagic otitis externa, right ear
- H60.322  Hemorrhagic otitis externa, left ear
- H60.323  Hemorrhagic otitis externa, bilateral
- H60.329  Hemorrhagic otitis externa, unspecified ear
- H60.391  Other infective otitis externa, right ear
- H60.392  Other infective otitis externa, left ear
- H60.393  Other infective otitis externa, bilateral
- H60.399  Other infective otitis externa, unspecified ear
1. Grow compensation and reimbursement

- Another example is documentation and payment on new and cutting-edge procedures.
- (Problematic for CPT and ICD-9) created from the Operative Report.
- (ICD-10-PCS) based on type of surgery, body system, root operation, body part, approach, device and any qualifiers.
- Often new procedure codes were not covered by government or private payors... upshot: payers may cover more procedures, reject less, pay faster, and reimburse more accurately.
ICD-10 Physician Fast Facts

- ICD-10 will be mandated for use on October 1, 2014
- ICD-10 impacts more than 50 populations, including physicians, healthcare executives, coders, case managers, nurses, and administrative staff
- ICD-10 has more than 140,000 codes compared to only 17,000 ICD-9 codes
- Physicians typically will require 3 to 12 hours of training.
- The transition to ICD-10 requires a significant investment in technology, including new software and practice system upgrades.
What’s The Physician ROI?

- Over time, physicians could see a substantial return on their ICD-10 investment.
- Accurate payment for new procedures. (Physicians are projected to save $100 million to $1.2 billion within a decade of ICD-10 implementation)
- Fewer rejected claims. ICD-10 is more detailed and organized than ICD-9. Relates to an NCVHS est. 10 year savings of $578 million
- Better claims adjudication and faster approvals. A reduced claims cycle will lower administration costs for the physician. (NCVHS is public advisory body for HHS)
2. Determine Severity and Prove Medical Necessity

- ICD-10 codes are much more granular and provide choices that will allow the reality of the patient’s condition to be encapsulated into a code based on documentation.
- ICD-10 codes will support documented Severity of Illness data capture and reporting, because ICD-10 codes carry much more descriptive information than ICD-9 codes.
- ICD-10 is actually the tool physicians can use to make sure the chart reflects how sick their patients really are to a third party payor, an auditor, or the public.

(Source: HealthStream ICD-10, White Paper “Helping Physicians Succeed in an ICD-10 World” 2013)
Increased Scrutiny?

• Along with Medical Necessity, CMS, (with other payers following suit!)
  – Will increase scrutiny around non-specific codes
  – Lack of documentation for services
• Alternatively, ICD-10 (with its improved code descriptions) offers accurate and specific disease descriptions
  – Support services
  – Treatment
  – Procedures
• Specific codes of ICD-10 may simplify prior authorization or eliminate need for appeal, saving physicians and staff time and reducing payment delays.
3. Ensure a Physicians Strong Reputation

- With all the changes brought on by Value-Based Purchasing, documentation becomes akin to a physician’s social media page.
  - Everybody sees it

- Once care has been provided, documentation becomes the basis for ICD-10 codes, which in turn reflect the quality of care provided by the physician.

- ICD-10 utilization, in turn, will reflect a code selection that will tell a more complete story…
  - Gravity of the patient’s illness.
  - Complexity of the services
  - Utilization of resources

(Source: HealthStream ICD-10, White Paper “Helping Physicians Succeed in an ICD-10 World” 2013)
4. Reduce the hassle of audits

- ICD-10 codes will allow the physician’s documentation to be translated into a more accurate clinical picture, reducing changes of misinterpretation
  - Third parties
  - Auditors
  - Attorneys
- Should save time from RAC audit or prevent it all-together
- Alternatively, insufficient documentation, may lead to
  - Increased scrutiny
  - Potential take-back
5. Gain access to better clinical information

- ICD-10 will trigger a deeper level of clinical detail in the record. Information can be used:
  - Reduce errors
  - Impact multidisciplinary care
  - Improved assurance of appropriate reimbursement
- Offers significant data mining and research opportunities.
  - Ex.-Greater explanation and insight into adverse events
    - Complications
    - Hospital acquired conditions
    - Falls
    - Expected adverse outcomes
- ICD-10 flexible, to allow emerging diseases to be incorporated
- Higher level of detail provides the ability to more precisely code the diagnosis
Key Point
A Physician’s Documentation trail will inform…

- Physician profiling/National Registries
  - Physician profiling is occurring more frequently with a concentrated move towards transparency

- Quality Reporting
  - CMS has implemented the Physician Compare website which will provide physician quality of care information (1/1/14)

- Consumer Health Sites
  - Consumers are turning up the heat as they increasingly review health sites and publications such as Healthgrades, Yelp, and Consumer Reports magazine to gain information about their hospitals and physicians

- Hospital Quality Assurance Committees
  - These groups will review ICD-10 related data on an individual physician level. These committees report into peer groups that evaluate performance.
Taking Control of ICD-10
Taking Control of ICD-10

• Start where?
  – Create a focused education and training plan that is very specific to the needs and challenging schedules of physicians
  – Learning curve is “entirely manageable” with a program tailored to the “need to know” aspects of the new coding system.
  – ICD-10 is like a phone book; no need to memorize the entire contents, rather just need to know how to find the single code from this “book”.

San Diego’s Health Care Leader
Taking Control of ICD-10

- Same holds true for physicians who will focus on their specialty and some of the common co-morbid disease codes.
- Physicians do not use every code in ICD-9, the same holds true for ICD-10.
- Start by tailoring and designing a specific ICD-10 awareness program to allow physicians to mitigate and overcome pitfalls.
- Will need to master documentation practices and learn ICD-10’s primary concepts.
ICD-9-CM to ICD-10-CM

- 075 Infectious Mononucleosis
  - B27.00 Gammaherpesviral mononucleosis without complication
  - B27.01 Gammaherpesviral mononucleosis with polyneuropathy
  - B27.02 Gammaherpesviral mononucleosis with meningitis
  - B27.09 Gammaherpesviral mononucleosis with other complications
  - B27.10 Cytomegaloviral mononucleosis without complications
  - B27.11 Cytomegaloviral mononucleosis with polyneuropathy
  - B27.12 Cytomegaloviral mononucleosis with meningitis
  - B12.19 Cytomegaloviral mononucleosis with other complication
  - B27.80 Other infectious mononucleosis without complication
  - B27.81 Other infectious mononucleosis with polyneuropathy
  - B27.82 Other infectious mononucleosis with meningitis
  - B27.89 Other infectious mononucleosis with other complication
  - B27.90 Infectious mononucleosis, unspecified without complication
  - B27.91 Infectious mononucleosis, unspecified with polyneuropathy
  - B27.92 Infectious mononucleosis, unspecified with meningitis
  - B27.99 Infectious mononucleosis, unspecified with other complication
ICD-9-CM to ICD-10-CM

- 573.3 Hepatitis, unspecified

- K71.0 Toxic liver disease with cholestasis
- K71.10 Toxic liver disease with hepatic necrosis, without coma
- K71.11 Toxic liver disease with hepatic necrosis, with coma
- K71.2 Toxic liver disease with acute hepatitis
- K71.3 Toxic liver disease with chronic persistent hepatitis
- K71.4 Toxic liver disease with chronic lobular hepatitis
- K71.50 Toxic liver disease with chronic active hepatitis without ascites
- K71.51 Toxic liver disease with chronic active hepatitis with ascites
- K71.6 Toxic liver disease with hepatitis, not elsewhere classified
- K71.7 Toxic liver disease with fibrosis and cirrhosis of liver
- K71.8 Toxic liver disease with other disorders of liver
- K71.9 Toxic liver disease, unspecified
- K75.2 Nonspecific reactive hepatitis
- K75.3 Granulomatous hepatitis, not elsewhere classified
- K75.81 Nonalcoholic steatohepatitis (NASH)
- K75.89 Other specified inflammatory liver disease
- K75.9 Inflammatory liver disease, unspecified
- K76.4 Peliosis hepatis
Key Point: In reality...

- Without the physician’s detailed documentation, as required by ICD-10, coders will be handicapped.
- Only well trained physicians (and others) can provide the specificity and deep level of detail required.
- Ultimately, physicians who learn to document with specificity will reduce productivity losses by having fewer queries and position themselves to receive accurate and higher reimbursement.
  - Without specificity
    - Avalanche of query activity
    - Fail to show true SOI
      » Impact Quality Reporting, and
      » Possible Reimbursement
Create Personal Learning Experiences

- ICD-10 learning is not a one-size fits all approach.
- Physicians have varying documentation practices and may prefer differing learning modalities (= customize plan)
- It is estimated that physicians may require as little as three to upwards of 12 hours of education. (depends if doing own coding)
Key Point

• Physicians **must attain education in their practice area that provides a real-world view of how to apply ICD-10 core concepts to common diseases and conditions.**

• **Target strengthening documentation skills.**
Key Point...In reality

• ICD-10 will not add a huge amount of new content to the medical record.

• In some cases, it may be a few more documented words per condition, which physicians already know from the workup of the clinical encounter.

• Most importantly, physicians do not need to become expert coders or learn how to specifically document 10,000 different diseases.
Key Point...In reality

• However, some knowledge of coding is required for certain groups of physicians, including those practicing in hospital and office settings where they do their own coding.

• These physicians will need to understand basic coding rules and definitions and need to know how to select the right codes for their specialty.
Major ICD-10 Documentation Changes

- A move to anatomy as the primary axis of classification in ICD-10-CM.
- Expansion to seven-digit capacity codes.
- Increased focus on laterality; documentation about the side of the body being treated will be required.
- A substantial increase in documentation requirements around substance abuse and dependence including tobacco.
- Greater detail about complications and quality of care.
- Addition of combination codes that combine disease specificity, common sites/locations, and manifestations of the disease into one code.
- Increased specificity—Physicians will need to avoid using umbrella terms, such as anemia, and begin supplying specific disease names, etiology, and locations.
- ICD-10-PCS requires the operative report to contain anatomical, device and approach specificity for procedures compared to ICD-9 volume 3.
• Focus training around large topic areas
  – ICD-10 is rooted in about eight to 10 core documentation concepts.
    • Can be applied to any disease
  – Focus on important concepts of ICD-10-CM, including:
    • Site
    • Specificity
    • Laterality
    • Timing
    • Manifestations
    • Stage
    • Status and,
    • Drug/alcohol/tobacco dependence.
ICD-9-CM to ICD-10-CM

- 842.00  Sprains and strains of wrist, unspecified site
- S63.501A  Unspecified sprain of right wrist, initial encounter
- S63.501D  Unspecified sprain of right wrist, subsequent encounter
- S63.502A  Unspecified sprain of left wrist, initial encounter
- S63.502D  Unspecified sprain of left wrist, subsequent encounter
- S63.509A  Unspecified sprain of unspecified wrist, initial encounter
- S63.509D  Unspecified sprain of unspecified wrist, subsequent encounter
- S66.911A  Strain of unspecified muscle, fascia and tendon at right wrist and hand level, initial encounter
- S66.911D  Strain of unspecified muscle, fascia and tendon at wrist and hand level, right hand, subsequent encounter
- S66.912.A  Strain of unspecified muscle, fascia and tendon at left wrist and hand level, initial encounter
- S66.912D  Strain of unspecified muscle, fascia and tendon at wrist and hand level, left hand, subsequent encounter
- S66.919A  Strain of unspecified muscle, fascia and tendon at wrist and hand level of unspecified side, initial encounter
- S66.919D  Strain of unspecified muscle, fascia and tendon at wrist and hand level, unspecified site, subsequent encounter
Key ICD-10 Learning Goals

• Target education on risk areas
  – Documentation required by ICD-10 for optimal code assignment is not something a physician has to learn.
  – The physician already knows what he or she is treating
  – Address gaps in current documentation habits.
  – If risk areas or high volume conditions are known, targeting education to the documentation of these identified conditions is a good strategy to mitigate risk and prepare for ICD-10.
Physicians need to adopt new tools and strategies to meet ICD-10’s demand for granularity and severity within the medical record.

Under ICD-10, physicians must move beyond documenting the principal or first-listed diagnosis and learn how to properly document underlying conditions that may not apply specifically to their specialty to get full reimbursement and to avoid issues.

- Coding queries
- Payer denials

Example: OB/GYN may have a patient who is losing bone density due to a pregnancy. The underlying condition, osteopenia, must be properly documented to show Severity of Illness and medical necessity for any tests or procedures required.
ICD-10 Resources
ICD-10 CM Resources

Available resources and use them appropriately:

AHIMA Preparation Checklist

AHIMA Top Ten

AHIMA (American Health Information Management Association) ICD-10 Implementation Site
http://www.ahima.org/icd10/

American Academy of Professional Coders (AAPC) ICD-10 Implementation Site
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Questions and Answers