The Source

ICD-10 Is Coming!

Are You Ready?

healthfirst®

About ICD-10

As you know, ICD-10 code sets will replace the ICD-9 code sets. According to the Centers for Medicare & Medicaid (CMS), the transition to the ICD-10 code set is occurring because the ICD-9 code set has limited data, outdated terms, and is inconsistent with current medical practice.

ICD-10 CM/PCS (International Classification of Diseases, 10th Edition, Clinical Modification/Procedure Coding System) consists of two parts:

ICD-10-CM (diagnosis coding) was developed by the Centers for Disease Control and Prevention for use in all U.S. healthcare settings. Diagnosis coding under ICD-10-CM uses 3 to 7 digits instead of the 3 to 5 digits used with ICD-9-CM, but the format of the code sets is similar.

ICD-10-PCS (inpatient procedure coding) was developed by the Centers for Medicare & Medicaid Services (CMS) for use in U.S. inpatient hospital settings only. ICD-10-PCS uses 7 alphanumeric digits instead of the 3 or 4 numeric digits used under ICD-9-CM procedure coding. Coding under ICD-10-PCS is much more specific and substantially different from ICD-9-CM procedure coding.

The transition to ICD-10-CM/PCS does not affect Current Procedural Terminology (CPT) codes, which will continue to be used for professional services. However, a compliant diagnosis code is required in order to properly adjudicate your claim.
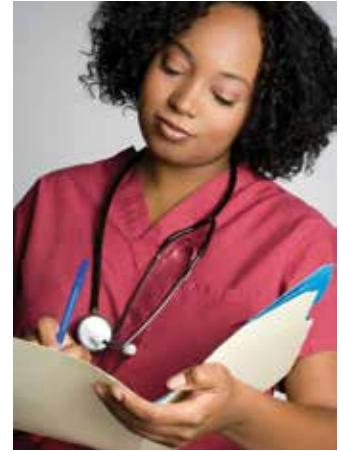
ICD-10 begins October 1, 2015

The Centers for Medicare & Medicaid Services (CMS) has mandated that the U.S. healthcare industry use ICD-10 diagnosis and inpatient procedure codes starting with a date of service (DOS) or date of discharge (DOD) of **October 1, 2015**. Providers may continue to submit claims using ICD-9 diagnosis and inpatient procedure codes on or after this date only if the DOS or DOD is prior to **October 1, 2015**.

This mandate requires healthcare providers, payers, clearinghouses, and billing services to comply with the transition to ICD-10, which means:

- **ICD-10 diagnosis codes will be used for all healthcare services**
- ICD-10 procedure codes will be used for all hospital inpatient procedures. Please note that the change to ICD-10 does not affect CPT coding for professional services
- All electronic transactions must use Version 5010 standards

OCTOBER 1 2015

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General Claims Submissions Information

As communicated by CMS, ICD-9 codes will no longer be accepted on claims (including electronic and paper) with FROM dates of service (on professional and supplier claims) or dates of discharge/through dates (on institutional claims) on or after October 1, 2015. Institutional claims containing ICD-9 codes for services on or after October 1, 2015, will be denied. Likewise, professional and supplier claims containing ICD-9 codes for dates of services on or after October 1, 2015, will also be denied. The exception will be Medicare institutional claims, which will be rejected if claims contain ICD-9 codes after the compliance date. This claims exception is due to system limitations.

You will be required to resubmit these claims with the appropriate ICD-10 code. A claim cannot contain both ICD-9 codes and ICD-10 codes. **Please see the guidance on how to handle claims that span the implementation date.**

It is important to remember that providers are expected to utilize the appropriate ICD qualifier (Diagnosis Type Code within the ASC X12 v5010 standard). Healthfirst will use the ICD qualifier to distinguish between ICD-9 and ICD-10 code submissions. This means that if the qualifier indicates ICD-9, then the code must be a valid ICD-9 code; if the qualifier indicates ICD-10, then the code must be a valid ICD-10 code. Mixing the qualifiers and diagnosis codes will result in your claim being denied.

Claims that Span the ICD-10 Implementation Date

As communicated by CMS, there are potential claims-processing issues for institutional, professional, and supplier claims that span the implementation date; that is, where ICD-9 codes are effective for the portion of the services that were rendered on September 30, 2015, and earlier, and where ICD-10 codes are effective for the portion of the services that were rendered **October 1, 2015**, and later. Our remediation plan for these scenarios will comply with the CMS billing requirements outlined in the MLN Matters® Number: MM7492. Please refer to MLN Matters Article SE1325, "Institutional Services Split Claims Billing Instructions for Medicare Fee-For-Service (FFS) Claims that span the ICD-10 Implementation Date," located at **www.cms.gov/Outreach-and-Education/ Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/SE1325.pdf** on the Centers for Medicare & Medicaid Services website, for additional information on these billing scenarios. We encourage you to ensure that your billing practices comply with these requirements.

Resources and Tools

The Centers for Medicare & Medicaid Services (CMS) has resources on their webpage designed to help providers, vendors, and noncovered entities with the transition to ICD-10.

- Check out the updated CMS ICD-10 Resources Flyer
- Access three new Medscape Education resources that provide guidance around the transition to ICD-10. Continuing medical education (CME) and nursing continuing education (CE) credits are available to healthcare professionals who complete the learning modules. Anyone can earn a certificate of completion. If you are a first-time visitor to Medscape, you will need to create a free account to access these resources:
  - Video: ICD-10: Getting From Here to There -- Navigating the Road Ahead
  - Video: ICD-10 and Clinical Documentation
  - Expert Column: Preparing for ICD-10: Now Is the Time
- View the ICD-10 Introduction fact sheet
- Find official resources designed to help providers, vendors, and noncovered entities with the transition to ICD-10

Healthfirst has tools and resources to help your practice get ready for the transition.

- Visit **www.Healthfirst.org/ICD10**
- Use the ICD-10 Conversion Widget to convert ICD-9 codes to ICD-10 codes

Healthfirst's Approach to ICD-10

What is Healthfirst's recommendation for network providers regarding the transition to ICD-10?

Physicians, facilities, home care agencies, and ancillary providers that have not yet begun planning for the transition to ICD-10 need to begin doing so immediately. Those who have already begun ICD-10 transition planning should continue to enact their plans to ensure a successful transition. Implementation planning is critical to the success of ICD-10 and the continuance of accurate and timely payments to your organization.

What is your approach to testing? Will you conduct testing with providers? Large-scale internal testing of ICD-10 is near completion. Targeted external testing continues through the summer of 2015. We selected testing partners based on several factors, one of which is ICD-10's effect on the contract's reimbursement methodology and volume of claims payment. Contact your clearinghouse partners to initiate test planning in order to ensure readiness.

What is Healthfirst doing to prepare for the ICD-10 conversion? Impacted areas are doing business and gap assessments. We have initiated a multiyear plan which incorporates system design and mitigation, development of business processes and policies, and communication and training for those affected. To help us ensure a smooth transition for both the plan and our providers, we have leveraged industry leaders and consultants to assist with our planning and strategy.

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What should physician practices and facilities do to prepare for the new October 1, 2015, ICD-10 compliance date? **October 1, 2015**, is right around the corner, and the complexity of conversion requires immediate and ongoing action to address business and clinical issues associated with the transition. The ICD-10 conversion affects nearly all provider systems and many processes. The largest impacts will likely be on clinical and financial documentation, billing, and coding. It is critical not to delay planning and preparation. It is important that providers contact their billing or software vendor to understand their plans for conversion and testing.

Will the ICD-10 conversion have an effect on provider reimbursement and contracting? Possibly. We are evaluating the impact of ICD-10 on our contracting and clinical operations. The ICD-10 conversion is not intended to transform payment or reimbursement. However, it may result in reimbursement methodologies that more accurately reflect patient status and care.

To help us ensure a smooth transition for both the plan and our providers, we have leveraged industry leaders and consultants to assist with our planning and strategy.

What is Healthfirst's approach to mapping ICD-9 codes to the ICD-10 codes? CMS has provided General Equivalency Mappings (GEMs) as an approach to define reasonable alternatives for mappings between ICD-9 and ICD-10 codes in both directions. While the GEMs provide guidance and a starting point for crosswalk development, there is currently no industry standard for mapping. As such, we have contracted with an industry-reputed vendor with ICD-10 expertise to assist us with fine tuning the crosswalk between ICD-9 and ICD-10 for benefit design.

Will Healthfirst use a crosswalk for claims processing? No, we will not use a crosswalk for claims processing. Starting on **October 1, 2015**, standard transactions with dates of service must be submitted with ICD-10 codes. After that date, we will process claims submitted with ICD-9 codes only for dates of service (outpatient) or dates of discharge (inpatient) prior to **October 1, 2015**.

What happens if my claim does not have an ICD-10 code? If your claim does not include a compliant ICD-10 diagnosis for dates of service beginning **October 1, 2015**, then your claim will be denied, with an explanation code stating "CLAIM DENIED: ICD-9 AFTER TRANSITION – ICD-10 REQUIRED." **It is critical that all provider types include compliant and appropriate diagnosis codes on all claims forms (i.e., paper and electronic) beginning October 1, 2015**.

What happens if my claim is billed with an ICD-10 code before 10/01/15? Claims for dates of services provided before October 1, 2015, must be billed with a compliant ICD-9 diagnosis. Your claim will be denied, with an explanation code stating "CLAIM DENIED: ICD-10 BEFORE TRANSITION – ICD-9 REQUIRED." A "corrected" claim will need to be submitted for reprocessing.

If your claim does not include a compliant ICD-10 diagnosis for dates of service beginning **October 1, 2015**, then your claim will be denied, with an explanation code stating "CLAIM DENIED: ICD-9 AFTER TRANSITION – ICD-10 REQUIRED."

How will Healthfirst distinguish an ICD-9 code from an ICD-10 code? Providers are expected to utilize the appropriate ICD qualifier (Diagnosis Type Code within the ASC X12 v5010 standard). Healthfirst will use the ICD qualifier to distinguish between ICD-9 and ICD-10 code submissions. This means that if the qualifier indicates ICD-9, then the code must be a valid ICD-9 code; if the qualifier indicates ICD-10, then the code must be a valid ICD-10 code.

When will providers be able to request preauthorization of services using ICD-10 diagnosis and procedure codes? We will accept and process preauthorization requests containing ICD-10 codes beginning **September 1, 2015**. Note that this is only for services scheduled on or after the compliance date—**October 1, 2015**. ICD-9 codes must be used to preauthorize services scheduled before the compliance date.

When will Healthfirst accept ICD-10 codes on referrals? Healthfirst will begin accepting referrals with ICD-10 codes on **September 1, 2015**, for dates of service **October 1, 2015**, and beyond.

I'm a Mental Health Provider and use DSM tools for coding. How is ICD-10 related? Version 5 of the Diagnostic and Statistical Manual of Mental Disorders (DSM-5) was released in May 2013 and took effect on January 1, 2014. As was the case with DSM-4, the codes within DSM-5 contain valid ICD-9 Clinical Modification (CM) codes that can be used to bill dates of service prior to **September 30, 2015**. Effective **October 1, 2015**, the ICD-10-CM codes will be the official system that must be used. ICD-10-CM codes are already included in the DSM-5 and are listed in parentheses next to each disorder title. Simply begin using the codes listed in parentheses to code your diagnoses on health insurance claims for services rendered on and after the implementation date of **October 1, 2015**.

Don't miss important alerts, notices, and coverage updates. Visit **www.healthfirst.org/provider-notices** regularly to stay informed. You can also sign up for email communications at **www.HFDocEmails.org**. 🍃