

Financial Services Group

June 24, 2013

Implementation of Medicare Secondary Payer Mandatory Reporting Provisions in Section 111 of the Medicare, Medicaid, and SCHIP Extension Act (MMSEA) of 2007 (See 42 U.S.C. 1395y(b)(7) & (8))

Technical ALERT: Liability Insurance (Including Self-Insurance), No-Fault Insurance, and Workers' Compensation – Testing ICD-10-CM Diagnosis Codes

This alert provides technical information regarding:

- Transition from ICD-9-CM to ICD-10-CM Diagnosis Codes
- Pre-Implementation Testing
- ICD Indicator and ICD Diagnosis Code Reporting Requirements

Transition from ICD-9-CM to ICD-10-CM Diagnosis Codes

Beginning October 1, 2014, CMS will adopt the International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM) for diagnosis coding. ICD-10-CM codes are alphanumeric and contain 3 to 7 digits instead of the 3 to 5 digits used with ICD-9-CM. The conversion from the 9th to the 10th Edition of ICD diagnosis codes requires changes to Section 111 reporting. In general, Responsible Reporting Entities (RREs) will be required to submit ICD-10-CM diagnosis codes on claim reports with a CMS Date of Incident (DOI) on or after April 1, 2015. More specific requirements can be found in the June 11, 2013 Alert titled [Transition from ICD-9-CM to ICD-10-CM diagnosis codes](#).

Pre-Implementation Testing

As of October 1, 2013, RREs will have the opportunity to create and submit test Claim Input File Detail Records that include the ICD Indicator and ICD-10-CM diagnosis codes. Testing is optional, but recommended. It is the only way to ensure that an RRE can properly submit ICD-10-CM diagnosis codes and process corresponding response files. Reminder: RREs must transmit test files to the Benefits Coordination & Recovery Center (BCRC) using the same transmission method as what was chosen for production files (HTTPS, SFTP or Connect:Direct). For more information on the testing process, please refer to the NGHP User Guide Technical Information Chapter. **Note:** No testing is done for those RREs that are Direct Data Entry (DDE) submitters.

ICD Indicator and ICD Diagnosis Code Reporting Requirements

Submitted ICD diagnosis codes must continue to meet existing field requirements: must be a validcode (i.e., included on the list of codes that CMS has deemed as valid); be left justified and any remaining unused bytes filled with spaces to the right; include any leading and trailing zeros (only if they appear that way on the list of valid ICD diagnosis codes); and, not include a decimal. ***In addition, the following requirements must be met for Claim Input File Detail Records submitted in test as of October 1, 2013:***

- The ICD Indicator (position 168) must be valid. The only values accepted in this field are '0' (zero), '9' or space. If an invalid value is submitted in this field, new error code CI31 will be returned. (See a description of this new error code below).

Error Code	Field	Description
CI31	ICD Indicator	<p>Must be one of the following values:</p> <ul style="list-style-type: none"> ‘0’ – ICD-10-CM diagnosis codes ‘9’ – ICD-9-CM diagnosis codes Space – ICD-9-CM diagnosis codes <p>*Note: Claims submitted with a CMS DOI on or after April 1, 2015 that contain an ICD indicator of ‘9’ or space will be rejected with a CI31 error.</p>

* Since the system will not accept future dated DOIs, RREs will not be able to test this condition until 4/1/2015.

- The diagnosis codes submitted on a Claim Input File Detail Record must correspond to the value submitted in the ICD Indicator field for that record. **Although a file can contain records with both ICD-9 and ICD-10 codes, a single claim record can only contain either all ICD-9-CM or ICD-10-CM codes since there is only one ICD indicator per record.** If the ICD Indicator is a ‘9’ or space, every diagnosis code submitted for that record must be an ICD-9-CM diagnosis code. If the ICD Indicator is a ‘0’ (zero), every diagnosis code submitted for that record must be an ICD-10-CM diagnosis code.

If any invalid diagnosis code is submitted, the record will be rejected. The record will be returned with an error associated to the field in which the invalid code was submitted, even if valid codes are supplied in one or more of any other ICD Diagnosis Code fields. Existing Error Codes CI03 and CI05-CI23 will be returned. **Note: A diagnosis code will be considered to be invalid if the submitted code does not correspond to the value submitted in the ICD Indicator field.**

- If the optional Alleged Cause of Injury, Incident or Illness field is submitted on a record and the ICD Indicator is set to ‘9’ or space (indicating that the record includes all ICD-9-CM diagnosis codes), then the Alleged Cause of Injury, Incident or Illness field must begin with an ‘E’ and must NOT be on the list of Excluded ICD-9-CM diagnosis codes found in the NGHP User Guide Appendices Chapter (Appendix I). If this requirement is not met, the record will be rejected with existing error CI03.
- If the optional Alleged Cause of Injury, Incident or Illness field is submitted on a record where the ICD Indicator is set to ‘0’ (indicating that the record includes all ICD-10-CM diagnosis codes), then the Alleged Cause of Injury, Incident or Illness field: must begin with V, W, X, or Y and must NOT be on the list of Excluded ICD-10-CM diagnosis codes. The list of Excluded ICD-10-CM diagnosis codes will be published in a separate alert as well as the updated NGHP User Guide. If this requirement is not met, the record will be rejected with existing error CI03.
- An ICD-9-CM diagnosis code will be accepted as long as the code is valid (per the rules for Section 111) and the ICD Indicator is set to a ‘9’ or a space. As of October 1, 2014, ICD-9-CM diagnosis codes will continue to be accepted on all add and update records submitted in production as long as the CMS DOI is prior to April 1, 2015. If the CMS DOI is October 1, 2014 or later and the record is submitted between October 1, 2014 and March 31, 2015, the response record will be returned with compliance flag ‘02’. A description of Compliance Code ‘02’ is provided below. To avoid receipt of this compliance flag, RREs are encouraged, but not required, to commence reporting of ICD-10-CM diagnosis codes on all new claim reports as of October 1, 2014. As of April 1, 2015, RREs are required to submit ICD-10-CM diagnosis codes on claims with a CMS DOI on or after April 1, 2015. Since the system will not allow an RRE to submit a test Claim Input File Detail Record with a future-dated CMS DOI, this compliance flag will not be returned on test files submitted prior to October 1, 2014.

Compliance Code	Description
02	Warning. ICD-9-CM diagnosis code submitted on a claim report between October 1, 2014 and March 31, 2015 with a CMS DOI of October 1, 2014 or later. As of April 1, 2015, ICD-10-CM diagnosis codes are required on all claim reports with a CMS DOI of April 1, 2015 and subsequent. Note: Starting April 1, 2015 the '02' compliance error will no longer applied to claims with DOI between October 1, 2014 and March 31, 2015.

- An ICD-10-CM diagnosis code will be accepted in test as long as the code is valid (per the rules for Section 111) and the ICD Indicator is set to a 0.

Note: ICD-10-CM diagnosis codes will be accepted on all add and update records submitted in production as of October 1, 2014. ICD-10 diagnosis codes will not be accepted on production files prior to October 1, 2014. As of April 1, 2015, ICD-10-CM diagnosis codes will be required on all add and update records with a CMS DOI of April 1, 2015 and subsequent.

Sample Test File Submission

The following table provides some sample test cases and identifies the error that would be returned on the record (as applicable).

Ex	Pos. 159-165 Alleged Cause of Injury	Pos. 168 ICD Indicator	Pos. 169-175 ICD diagnosis code 1	Pos. 176-182 ICD diagnosis code 2	Error	Reason for Error
1	Spaces	Space	Valid ICD-9-CM	Valid ICD-9-CM	None	N/A
2	Valid ICD-9-CM	9	Valid ICD-9-CM	Spaces	None	N/A
3	Spaces	0	Valid ICD-10-CM	Valid ICD-10-CM	None	N/A
4	Valid ICD-10-CM	Space	Valid ICD-10-CM	Valid ICD-10-CM	CI03, CI05, CI06	ICD Indicator is a space. All submitted diagnosis codes must be valid ICD-9-CM diagnosis codes.
5	Valid ICD-9-CM	0	Valid ICD-9-CM	Valid ICD-9-CM	CI03, CI05, CI06	ICD Indicator is a zero. All submitted diagnosis codes must be valid ICD-10-CM diagnosis codes.
6	Valid ICD-9-CM	0	Valid ICD-10-CM	Valid ICD-10-CM	CI03	ICD Indicator is a zero. All submitted diagnosis codes must be valid ICD-10-CM diagnosis codes including the diagnosis code submitted in the Alleged Cause of Injury field.

Ex	Pos. 159-165 Alleged Cause of Injury	Pos. 168 ICD Indicator	Pos. 169-175 ICD diagnosis code 1	Pos. 176-182 ICD diagnosis code 2	Error	Reason for Error
7	Valid ICD-10-CM	0	Valid ICD-10-CM	Valid ICD-9-CM	CI06	ICD Indicator is a zero. All submitted diagnosis codes must be valid ICD-10-CM diagnosis codes.