ICD-10 Implementation in a 5010 Environment

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ICD-10 Implementation

- October 1, 2013 – Compliance date for implementation of ICD-10-CM (diagnoses) and ICD-10-PCS (procedures)
  - No delays
  - No grace period
- ICD-10-CM (diagnoses) will be used in all settings
- ICD-10-PCS (procedures) will be used for only inpatient procedures

ICD-10 Implementation

- Single implementation date of October 1, 2013 for all users
  - Date of service for ambulatory and physician reporting
    - Ambulatory services provided on or after 10-1-2013 will use ICD-10-CM diagnosis codes
  - Date of discharge for inpatient settings
    - Inpatient discharges occurring on or after 10-1-2013 will use ICD-10-CM and ICD-10-PCS codes

ICD-10 Implementation

- ICD-9-CM codes will not be accepted for services provided on or after October 1, 2013

- ICD-10 codes will not be accepted for services prior to October 1, 2013

ICD-9 Notice: The International Classification of Diseases, 9thEdition, Clinical Modification (ICD-9-CM) is published by the United States Government. A CD-ROM, which may be purchased through the Government Printing Office, is the only official Federal government version of the ICD-9-CM. ICD-9-CM is an official Health Insurance Portability and Accountability Act standard.

CPT & HCPCS

- No impact on Current Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) codes

- These will continue to be used for physician and ambulatory services

Benefits

- Up-to-date classification systems will provide much better data for:
  - Measuring the quality, safety, and efficacy of care
  - Designing payment systems and processing claims for reimbursement
  - Conducting research, epidemiological studies, and clinical trials
  - Setting health policy
  - Operational and strategic planning and designing healthcare delivery systems
  - Monitoring resource utilization
  - Improving clinical, financial, and administrative performance
  - Preventing and detecting healthcare fraud and abuse
  - Tracking public health and risks

ICD-10 Differences

- ICD-10 codes are different from ICD-9-CM codes
  - They provide greater detail in describing diagnoses and procedures
  - There are more ICD-10 codes than ICD-9-CM codes
- ICD-10 codes are longer and use more alpha characters
- System changes required to accommodate ICD-10 codes

Number of Codes – 2010

- Diagnoses
  - ICD-9-CM 14,315
  - ICD-10-CM 69,099
- Procedures
  - ICD-9-CM 3,838
  - ICD-10-PCS 71,957

ICD-10-CM Structure

ICD-9-CM

- 3 - 5 characters
- First character is numeric or alpha (E or V)
- Characters 2-5 are numeric
- Always at least 3 characters
- Use of decimal after 3 characters

ICD-10-CM

- 3 - 7 characters
- Character 1 is alpha (all letters except U are used)
- Character 2 is numeric
- Characters 3 - 7 are alpha or numeric
- Use of decimal after 3 characters
- Use of dummy placeholder “x”
- Alpha characters are not case-sensitive

Structural Differences ICD-9-CM Diagnoses

- ICD-9-CM has 3 – 5 digits
  - 496 Chronic airway obstruction, not elsewhere classified (NEC)
  - 511.9 Unspecified pleural effusion
  - V02.61 Hepatitis B carrier

Structural Differences ICD-10-CM Diagnoses

- ICD-10-CM codes have 3 – 7 digits
  - A78 Q fever
  - A69.20 Lyme disease, unspecified
  - O9A.311 Physical abuse complicating pregnancy, first trimester
  - S42.001A Fracture of unspecified part of right clavicle, initial encounter for closed fracture

ICD-10-CM Diagnoses

- Will be used by all providers

- Outreach call – Basic Introduction to ICD-10-CM
  - Held March 23, 2010
  - Posted audio and written transcripts for call
  - http://www.cms.gov/ICD10/02c_CMS_Sponsored_Calls.asp
  - Under Downloads – 2010 Conference Calls

- Provides excellent explanation of ICD-10-CM

ICD-10-PCS Structure

ICD-9-CM

- 3 - 4 characters
- All 4 characters are numeric
- Use of decimal after 2 characters

ICD-10-PCS

- 7 characters
- Each can be either alpha (not case sensitive) or numeric
- Numbers 0 - 9 are used
- Letters O and I are not used to avoid confusion with numbers 0 and 1
- No decimal

Structural Differences – Procedures

- ICD-9-CM has 3 – 4 digits
  - 43.5 - Partial gastrectomy with anastomosis to esophagus
  - 44.42 - Suture of duodenal ulcer site

Structural Differences – Procedures

- ICD-10-PCS has 7 digits
  - 0FB03ZX - Excision of liver, percutaneous approach, diagnostic
  - 0DQ10ZZ - Repair, upper esophagus, open approach
- ICD-10-PCS will be used only in the inpatient hospital setting

Complete Versions of ICD-10-CM & ICD-10-PCS

- Annual updates of each system are posted on the ICD-10 website at http://www.cms.gov/ICD10

- Maintenance and updates of ICD-9-CM and ICD-10 are discussed at the ICD-9-CM Coordination and Maintenance Committee meeting http://www.cms.gov/ICD9ProviderDiagnosticCodes/03_meetings.asp

Tools in Converting Codes

- General Equivalence Mappings (GEMs) assist in converting data from ICD-9-CM to ICD-10

- Forward and backward mappings
  - Information on GEMs and their use – http://www.cms.gov/ICD10 (click on ICD-10-CM or ICD-10-PCS to find most recent GEMs)
  - Description of MS-DRG Conversion Project http://www.cms.gov/ICD10/17_ICD10_MS_DRG_Conversion_Project.asp

Outreach Call Explaining How to Use the GEMs

- May 19, 2009 Call– Implementation and General Equivalence Mappings

- http://www.cms.gov/ICD10/02c_CMS_Sponsored_Calls.asp
  - Under Downloads – 2009 ICD-10 Conference Calls
  - Audio and written transcripts posted

Converting Data

- GEMs are not a substitute for learning how to code with ICD-10

- For some small conversion projects it may well be quicker and more accurate to use ICD-10 code books instead of GEMs

Code Updates & Need for a Freeze

- Agenda item for recent ICD-9-CM Coordination & Maintenance (C&M) Committee Meetings
  - Annual code updates make transition planning difficult
  - Vendors, system maintainers, payers, and educators have requested a code freeze
  - Should ICD-10 CM/PCS and/or ICD-9-CM be frozen prior to implementation?
  - When should the freeze begin?

Code Updates & Need for a Freeze

- Summary reports of C&M meetings - http://www.cms.gov/ICD9ProviderDiagnosticCodes/03_meetings.asp

- Based on discussions at prior meetings, a limited freeze is being proposed

Code Freeze Proposal

- Last regular, annual updates to both ICD-9-CM and ICD-10 would be made on October 1, 2011
- Only limited ICD-9-CM & ICD-10 updates for new technologies and diseases on October 1, 2012 and for ICD-10 on October 1, 2013
- Regular updates to ICD-10 beginning October 1, 2014

Code Freeze Proposal

- A final decision on any code freeze would be announced at the September 15-16, 2010 ICD-9-CM Coordination & Maintenance Committee meeting
- Continuing to receive comments on this issue
- Information on meetings http://www.cms.gov/ICD9ProviderDiagnosticCodes/03_meetings.asp
- Can register to attend beginning August 10, 2010 or participate by conference call

ICD-10 Implementation

- Intensive coder training should not be provided until 6 - 9 months prior to implementation

- Current activities
  - Learn about the structure, organization, and unique features of ICD-10-CM – all provider types
  - Learn about the structure, organization, and unique features of ICD-10-PCS – inpatient hospitals
  - Learn about system impacts and 5010

CMS Resources

- ICD-10 General Information
  http://www.cms.gov/ICD10

- MS-DRG Conversion Report
  http://www.cms.gov/ICD10/Downloads/MsdrgConversion.pdf

- Central Version 5010 and D.0 web page on the CMS website http://www.cms.gov/Versions5010andD0/

CMS ICD-10 Website

- The CMS ICD-10 website http://www.cms.gov/icd10/ provides the latest ICD-10 information and links to resources for providers to prepare for ICD-10 implementation in a 5010 environment.

- CMS Sponsored Calls web page provides current information on CMS national provider conference calls focused on the implementation of ICD-10 http://www.cms.gov/ICD10/02c_CMS_Sponsored_Calls.asp#TopOfPage. You will find copies of call materials (presentations, written and audio transcripts, etc.).

CMS ICD-10 Website

- Medicare Fee-for-Service Provider Resources http://www.cms.gov/ICD10/06_MedicareFeeforServiceProviderResources.asp#TopOfPage and

- Provider Resources (for all providers) http://www.cms.gov/ICD10/05a_ProviderResources.asp#TopOfPage web pages provide links to a variety of related educational resources and information

CMS ICD-10 Website

- Other information found on the ICD-10 website includes:
  - ICD-10 and 5010 compliance timelines
  - CMS implementation planning
  - Medicaid, payer, and vendor resources
  - Statute and regulations
  - ICD-9-CM Coordination and Maintenance Committee Meetings
  - ICD-10 MS-DRG Conversion Project

Additional Resources

- The following organizations offer providers and others ICD-10 resources
  - WEDI (Workgroup for Electronic Data Interchange)

    http://www.wedi.org

  - HIMSS (Health Information and Management Systems Society)

    http://www.himss.org/icd10

Medicare Fee-for-Service (FFS) Implementation of HIPAA 5010 and D.0

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5010 General Overview

What was adopted under the HIPAA Modifications Rule?

- Version 5010 of the X12 standards suite of administrative transactions
- Version D.0 of the National Council for Prescription Drug Program (NCPDP) suite for retail pharmacy
  - Version D.0 or Version 5010 for retail pharmacy supplies and services, based on trading partner agreements

Who is impacted?

- HIPAA covered entities (i.e., providers, health plans, clearinghouses) and their business associates (i.e., billing/service agents)

General Compliance Dates for 5010 and D.0

- Mandatory compliance on January 1, 2012 – all covered entities
  - Internal Testing to begin on or after January 1, 2010
  - External testing to begin on or after January 1, 2011

Why Version 5010?

- Version 4010 is outdated:
  - More than 5 years since initial implementation, but 8 years since balloting of the current version
  - Many situational and required rules did not fit business practices of the industry
  - Industry relied extensively on companion guides, limiting value of standards
  - Many transactions were not implemented at all because of limited utility and value

- Version 5010 is an improvement because it:
  - Includes structural and content oriented changes
  - Incorporates more than 500 change requests
  - Resolves ambiguities in situational rules
  - Provides more consistency across transactions – most rules are the same throughout the suite
  - Shortcomings have been addressed to increase value of transactions such as referrals and authorizations

Why Version D.0?

- Version 5.1 is outdated:
  - More than 5 years since initial implementation, but 8 years since balloting of the current version
- Version D.0 is an improvement because it:
  - Incorporates change requests submitted by the industry to accommodate changing business needs
  - Incorporates changes necessitated by the requirements of the Medicare Prescription Drug Improvement and Modernization Act (MMA)

Benefits of Conversion: 5010/D.0

- Less ambiguity in the implementation guides (TR3s)
- Enhanced usability and usefulness of certain transactions such as referrals and authorizations (X12 and NCPDP)
- Improved utility of the NCPDP standards, compliance with Part D requirements
- Supports standardization of companion guides across the industry
- Supports increased use of EDI between covered entities
- Supports E-Health initiatives now and in the future
- Provides infrastructure for ICD-10 and Present on Admission Indicator

HIPAA 5010 Scope vs. ICD-10 Scope

- The HIPAA 5010 project is a pre-requisite for the ICD-10 project

- What Medicare FFS 5010 implementation DOES do:
  - Increases the field size for ICD codes from 5 bytes to 7 bytes
  - Adds a one-digit version indicator to the ICD code to indicate version 9 vs.10
  - Increases the number of diagnosis codes allowed on a claim
  - Includes some of the other data modifications in the standards adopted by Medicare FFS

- What 5010 DOES NOT do:
  - Does not add processing needed to use ICD-10 codes
  - Does not add a crosswalk of ICD-9 to ICD-10 codes
  - Does not require the use of ICD-10 codes

- The 5010 format allows ICD-9 and/or ICD-10 CM & PCS code set values in the transaction standard.

- The business rules for using ICD-10 code set values will be defined with the ICD-10 project.

Medicare FFS 5010 Program

- HIPAA legislation mandates that the healthcare industry use standard formats for electronic claims and related transactions
  - The Medicare FFS "HIPAA 5010" program implements new versions of these transaction standards (ASC X12 Version 5010 and NCPDP Version D.0)
- The HIPAA 5010 program also implements:
  - "Infrastructure" preparation for ICD-10
    - Version 5010 accommodates ICD-10 CM & PCS code sets and Version 4010A1 does not
    - Medicare FFS will begin processing up to 25 diagnosis and 25 procedure codes per electronic claim
  - New ASC X12 standard acknowledgement and rejection transactions
    - The Functional Acknowledgement 999 replaces the 997 transaction
    - The Claims Acknowledgement (277CA) will be used to replace proprietary error reporting
  - Selected system and process enhancements that move Medicare FFS processing towards modernization

5010: What You Need to Do to Prepare

General Resources

- To purchase Implementation Guides and access Technical Questions
  - X12: http://www.x12.org
  - X12 portal: http://store.x12.org
  - NCPDP (for D.0 and 3.0): http://www.ncpdp.org
- To view X12 Responses to Technical Comments
  - http://www.cms.gov/TransactionCodeSetsStands/
- Other
  - To request changes to standards: http://www.hipaa-dsmo.org
  - CMS website for industry wide information: http://www.cms.gov

5010: What You Need to Do to Prepare

Know What Must Be Changed

- The formats currently used must be upgraded from X12 Version 4010A1 to 5010 and from NCPDP 5.1 to D.0
- Systems that submit claims, receive remittances, exchange claim status or eligibility inquiry and responses must be analyzed to identify software and business process changes
- The new versions have different data element requirements
- Medicare FFS has performed a comparison of the current and new formats for the transactions used and they can be found at http://www.cms.gov/ElectronicBillingEDITrans/18_5010D0.asp
- Software must be modified to produce and exchange the new formats
- Business processes may need to be changed to capture additional data elements now required
- Transition to the new formats must be coordinated:
  - Continue to use the current formats for some Trading Partners' exchange
  - Start to use the new formats with other Trading Partners

5010: What You Need to Do to Prepare

Know What Resources are Available to You for Medicare FFS

- CMS has developed educational materials on the Medicare Fee-for-Service 5010 program to provide technical assistance and direction for our trading partners and providers

- Products include:
  - Central Version 5010 and D.0 Webpage on the CMS website http://www.cms.gov/Versions5010andD0/
    - Educational Resources (MLN articles, fact sheets, readiness checklists, brochures, quick reference charts and guides, frequently asked questions, and transcripts from previous national provider calls) http://www.cms.gov/Versions5010andD0/40_Educational_Resources.asp#TopOfPage
    - Dedicated HIPAA 5010/D.0 Project web page (technical documents and communications at national conferences) http://www.cms.gov/ElectronicBillingEDITrans/18_5010D0.asp
  - Update Announcements and News Flashes – to subscribe to CMS list serves go to http://www.cms.gov/prospmedicarefeesvcpmtgen/downloads/Provider_Listservs.pdf

5010: What You Need to Do to Prepare

Know What Resources are Available to You for Medicare FFS (continued)

- National Provider Calls Specific to Medicare FFS Implementation of HIPAA version 5010 (tentative dates in 2010)
  - 4/28 Eligibility Request/Response
  - 5/26 Professional Claim
  - 6/30 Institutional Claim
  - 7/28 Claim Status Request/Response
  - 8/25 Remittance Advice
  - 9/29 Acknowledgments
  - 10/27 MAC Preparation and Outreach on their 5010/D.0 Implementations

To obtain copies of the presentations, transcripts and recordings of previous calls, go to: http://www.cms.gov/Versions5010andD0/40_Educational_Resources.asp#TopOfPage under the Downloads section of the page.

5010: What You Need to Do to Prepare

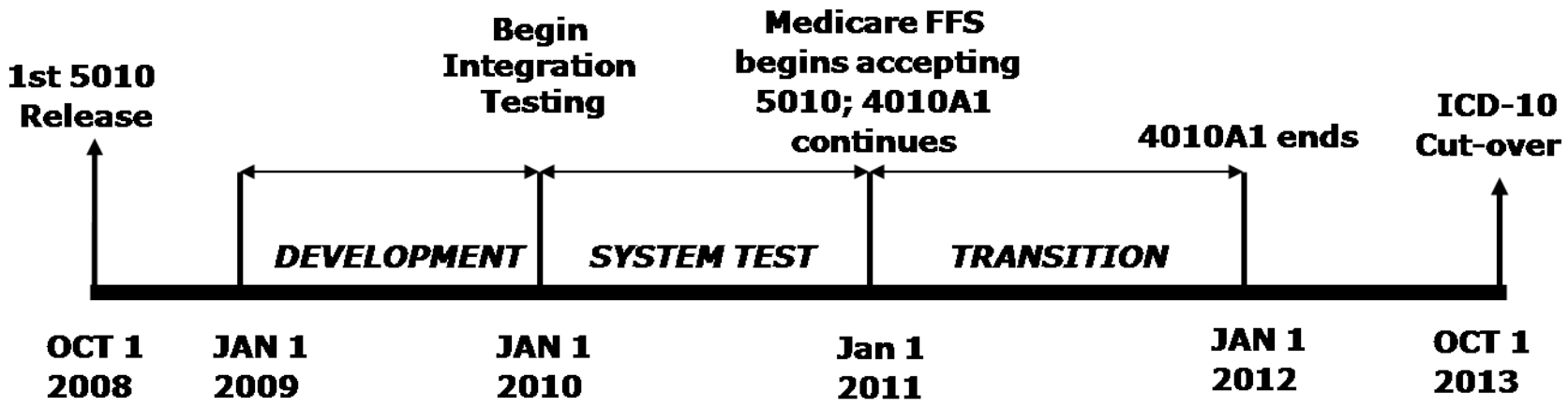
Action Steps You Could Take Now for Medicare FFS Changes

- Contact your system vendors:
  - Does your license include regulation updates?
  - Will the upgrade include acknowledgement transactions 277CA & 999?
  - Will the upgrade include a "readable" error report produced from these 277CA and 999 transactions?

- Inquire when your vendor is planning to upgrade your system:
  - Assess this response to be sure your vendor can assure your transition well before the cutoff, Jan 1 2012

- Evaluate the impact to your routine operations and begin planning for training, transition

Medicare FFS 5010 Implementation Timeline



Medicare FFS 5010 Implementation

- An incremental development approach was used for the 5010 software components
  - The current 4010-path in the Front End Systems will continue to process production until January 1, 2012
  - The new 5010-path will be separate in the Front End Systems
- Medicare FFS is performing integrated 5010 system testing AND regression testing now, as software components are incrementally developed and put into production
- These software components will not be used in production until the 5010 transactions begin to be exchanged (January 2011)
- A Certification Test Phase for Medicare Front End systems is planned for later this year
- Providers interested in testing their 5010 transactions should contact their Medicare Administrative Contractor (MAC), Fiscal Intermediary (FI) or Carrier for more information

Medicare FFS 5010 Implementation

What Happens if Providers Do Not Transition?

- Providers who are not ready to submit electronic 5010 transactions to Medicare FFS during calendar year 2011 will be permitted to submit electronic 4010A1 transactions

- Providers who are not ready to submit electronic 5010 transactions by January 1, 2012 will not be able to submit electronic transactions in any other format

Providers submitting paper claim forms (Institutional and Professional) will not experience a change in the claim form for 5010 or ICD-10 projects.

Paper Forms: Institutional and Professional Claims

The Institutional Claim (UB-04 or CMS 1450)

- Owned and maintained by the National Uniform Billing Committee (NUBC)
- ICD-10 updates done
- No changes in number of diagnosis codes allowed – if more are needed, must submit electronically

The Professional Claim (CMS 1500)

- Owned and maintained by the National Uniform Code Committee (NUCC)
- ICD-10 updates done
- Future plans may expand the number of diagnosis codes permitted from 4 to 12 – if more are needed, must submit electronically

CMS and Medicare FFS Contractors Help Rural and other Small Providers Submit Electronic Claim Files

- Free Billing Software is available for Medicare FFS Providers
- Claims submitted with this free software are considered to be HIPAA-compliant
- Medicare FFS Claims Processing Internet-Only Manual (IOM) Publication 100-04, Chapter 24, "General EDI and EDI Support Requirements, Electronic Claims and Coordination of Benefits Requirements, Mandatory Electronic Filing of Medicare Claims" http://www.cms.gov/manuals/downloads/clm104c24.pdf
  - Section 60.5 – "Free Claim Submission Software"
  - Section 60.6 – "Remittance Advice Print Software"
    - Section 60.6.1 – "Medicare Remit Easy Print Software for Professional Providers and Suppliers"
    - Section 60.6.2 – "Medicare Standard Electronic PC Print Software for Institutional Providers"
- Support for the Free/Low Cost Billing software is available to Providers through Medicare Administrative Contractor, Part A Fiscal Intermediary or Part B Carrier
  - Contractor contacts for both Part A and Part B contact lists under "Downloads" http://www.cms.gov/ElectronicBillingEDITrans/03_EDISupport.asp#TopOfPage

Free Billing Software Available for Medicare FFS Providers

- Claims submission (837 transaction)
  - PC-Ace Pro 32 – for submission of Electronic claims for both Institutional (Part A) and Professional (Part B) Claims
    - Allows professional providers to submit electronic claims to Medicare FFS
- Remittance Advice (835 transaction)
  - Medicare Remit Easy Print – for Professional providers (Part B) Contact the MAC EDI area to obtain the software from their website
    - Allows providers to receive electronic 835 transactions and print them in human readable format
    - The CMS website houses User documentation which is available at this link: http://www.cms.gov/AccesstoDataApplication/Downloads/EasyPrintUserGuide.pdf
  - PC Print – for Institutional providers (Part A) Contact the MAC EDI area to obtain the software from their website
    - Allows providers to receive electronic 835 transactions and print them in human readable format
    - Obtained by contacting the local Medicare Part A EDI Department

National Provider Conference Call Continuing Education Information

Continuing Education Information

Continuing education credits may be awarded by the American Academy of Professional Coders (AAPC) or the American Health Information Management Association (AHIMA) for participation in CMS National Provider Conference Calls.

- American Academy of Professional Coders (AAPC)
  If you have attended or are planning to attend one of CMS' National Provider Conference Calls, you should be aware that CMS does not provide certificates of attendance for these calls. Instead, the AAPC will accept your e-mailed confirmation and call description as proof of participation. Please retain a copy of your e-mailed confirmation for these calls as the AAPC will request them for any conference call you entered into your CEU Tracker if you are chosen for CEU verification. Members are awarded one (1) CEU per hour of participation.

Continuing Education Information

- American Health Information Management Association (AHIMA)

  AHIMA credential-holders may claim 1 CEU per 60 minutes of attendance at an educational program. Maintain documentation about the program for verification purposes in the event of an audit. A program does not need to be pre-approved by AHIMA, nor does a CEU certificate need to be provided, in order to claim AHIMA CEU credit. For detailed information about AHIMA's CEU requirements, see the Recertification Guide on AHIMA's web site.

Please note: The statements above are standard language provided to CMS by the AAPC and the AHIMA. If you have any questions concerning either statement, please contact the respective organization, not CMS.

Questions?