

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



ICD-10-CM/PCS BILLING AND PAYMENT FREQUENTLY ASKED QUESTIONS



Please note: The information in this publication applies only to the Medicare Fee-For-Service Program (also known as Original Medicare).

This publication provides the following information on the International Classification of Diseases, 10th Edition, Clinical Modification/Procedure Coding System (ICD-10-CM/PCS):

- ❖ Frequently Asked Questions; and
- ❖ Resources.

FREQUENTLY ASKED QUESTIONS

Will International Classification of Diseases, 9th Edition, Clinical Modification (ICD-9-CM) codes be accepted on claims with FROM dates of service or dates of discharge/THROUGH dates on or after October 1, 2015?

No. ICD-9-CM codes will no longer be accepted on both electronic and paper claims 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.

What will happen to institutional, professional, and supplier claims that contain ICD-9-CM codes for services on or after October 1, 2015?

Claims that contain ICD-9-CM codes for services will be handled as follows:

- ❖ Direct data entry institutional claims – Returned to provider (RTP);
- ❖ Paper professional and supplier claims – Returned as unprocessable; and
- ❖ Electronic institutional, professional, and supplier claims – Rejected.

Billers whose paper or electronic claims are returned or rejected for an invalid diagnosis code may correct and resubmit those claims. You will receive a letter of explanation or a Remittance Advice that provides information about claim errors. After the claim has been corrected, you must resubmit it as a new claim within the timely filing period. Claims that have been returned as unprocessable may not be appealed.

You may appeal initial claim determinations, including denials, if you are dissatisfied with the claim determination and file a timely appeal request that contains the necessary information needed to process the request.

If a denial is due to a minor error or omission you made in filing a claim, you may request a reopening to correct such clerical errors. A reopening is separate and distinct from the appeals process. After the claim has been corrected, you must resubmit it within the timely filing period.

Can a claim contain both ICD-9-CM and ICD-10-CM/PCS codes?

No. A claim cannot contain both ICD-9-CM and ICD-10-CM/PCS codes. Medicare will RTP/return as unprocessable all claims that are billed with both ICD-9-CM and ICD-10-CM/PCS diagnosis and procedure codes on the same claim. For more information about split claims billing, refer to the following MLN Matters® articles:

- ❖ “Medicare Fee-For-Service (FFS) Claims Processing Guidance for Implementing International Classification of Diseases, 10th Edition (ICD-10) – A Re-Issue of MM7492” located at <http://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnmattersarticles/downloads/SE1408.pdf> on the Centers for Medicare & Medicaid Services (CMS) website; and
- ❖ “Institutional Services Split Claims Billing Instructions for Medicare Fee-For-Service (FFS) Claims that Span the International Classification of Diseases, 10th Edition (ICD-10) Implementation Date” located at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/SE1325.pdf> on the CMS website.

Will providers be able to use ICD-10-CM/PCS codes on claims prior to the October 1, 2015, implementation date?

No. ICD-10-CM/PCS codes may only be used for services provided on or after October 1, 2015. Claims containing ICD-10-CM/PCS codes for services provided prior to October 1, 2015, will be returned as unprocessable. You must submit claims for services provided prior to October 1, 2015, with the appropriate ICD-9-CM code. For more information, refer to the MLN Matters® articles referenced above.

How should claims be handled when they are split for an outpatient encounter spanning the ICD-10 implementation date?

Claims for services provided prior to October 1, 2015, must be billed separately from services provided on or after October 1, 2015. When claims are split for an encounter spanning the ICD-10 implementation date, you must maintain all charges with the same Line Item Date of Service (LIDOS) on the correct corresponding claim for the encounter. You must not split single item services whose timeframes cross over midnight on September 30, 2015, into two separate charges. Instead, you must place the single item service in the claim based upon the LIDOS as follows:

- ❖ Emergency room (ER) encounters – Date the patient enters the ER; and
- ❖ Observation encounters – Date observation care begins.

For more information, refer to the MLN Matters® articles referenced on the previous page.

If there is no service for the encounter with a LIDOS on the split claim, should I send an October 2015 claim to Medicare for payment?

No. If there is no service for the encounter with a LIDOS on the split claim with an October 2015, date, don't send an October 2015 claim to Medicare for payment. No payment is allowed on any of the charges because all charges are packaged. You must maintain a log of these charges for cost reporting purposes. For more information, refer to the split claims billing MLN Matters® article referenced on the previous page.

Will my payment under ICD-10 be the same as the payment I currently receive under ICD-9?

Hospitals – A study conducted on the impact of converting Medicare Severity-Diagnosis Related Groups (MS-DRGs) to ICD-10 found that moving from an ICD-9-based system to an ICD-10 MS-DRG replicated system led to DRG reassignments on only 1 percent of 10 million Medicare Provider Analysis and Review sample records in the study. Ninety-nine percent of the records did not shift to another MS-DRG when using an ICD-10 MS-DRG system. For the 1 percent of records that shifted, 45 percent were to a higher weighted MS-DRG and 55 percent were to a lower weighted MS-DRG. The net impact across all MS-DRGs was a reduction by 4/10000 or minus 4 cents per \$100. For more information about this study, refer to "Impact of the Transition to ICD-10 on Medicare Inpatient Hospital Payments" located in the Downloads section at <http://www.cms.gov/Medicare/Coding/ICD10/ICD-10-MS-DRG-Conversion-Project.html> on the CMS website.

Professional and supplier claims – Payment is based on the Healthcare Common Procedure Coding System (HCPCS) code and under ICD-10-CM, payment will also be based on the HCPCS code. A claim could be denied if the diagnosis does not warrant payment for the procedure. You should consult the appropriate payment policy, National Coverage Determination (NCD), or Local Coverage Determination (LCD) pertaining to the service you wish to bill to determine whether there are any changes to diagnosis code reporting requirements. You should also consult the forthcoming 2015 and 2016 payment rules for ICD-10-CM impacts.

Will the NCD/LCD conversion be completed in time for the ICD-10 October 1, 2015, implementation date?


CMS has completed modifications to its claims processing systems to report the appropriate NCD/LCD captured during claims processing based on their association with either ICD-9-CM or ICD-10-CM/PCS diagnosis and procedure codes, the claim line service date, and the ICD-10-CM/PCS diagnosis and procedure code effective dates. For information about NCD conversions, visit <http://www.cms.gov/Medicare/Coverage/CoverageGenInfo/ICD10.html> on the CMS website.

When will the LCDs be converted and available in the Medicare Coverage Database (MCD)?

All ICD-10-CM/PCS LCDs were converted and published in April 2014. All associated ICD-10-CM/PCS articles will be published in the MCD no later than September 4, 2014.

RESOURCES

The chart below provides ICD-10-CM/PCS resource information.

For More Information About...	Resource
ICD-10-CM/PCS	http://www.cms.gov/Medicare/Coding/ICD10/index.html on the CMS website
ICD-10-CM/PCS Information for Medicare Fee-For-Service Providers	http://www.cms.gov/Medicare/Coding/ICD10/Medicare-Fee-For-Service-Provider-Resources.html on the CMS website
ICD-10-CM/PCS Provider Resources	http://www.cms.gov/Medicare/Coding/ICD10/ProviderResources.html on the CMS website
ICD-10-CM/PCS Implementation Timelines	http://www.cms.gov/Medicare/Coding/ICD10/ICD-10ImplementationTimelines.html on the CMS website
ICD-10-CM/PCS Statute and Regulations	http://www.cms.gov/Medicare/Coding/ICD10/Statute_Regulations.html on the CMS website
All Available Medicare Learning Network® (MLN) Products	<p>“Medicare Learning Network® Catalog of Products” located at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/MLNCatalog.pdf on the CMS website or scan the Quick Response (QR) code on the right</p> 
Provider-Specific Medicare Information	MLN publication titled “MLN Guided Pathways Provider Specific Medicare Resources” booklet located at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/Guided_Pathways_Provider_Specific_Booklet.pdf on the CMS website
Medicare Information for Patients	http://www.medicare.gov on the CMS website



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