Is ICD 10 a Quality Initiative?

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Objectives:

- Identify the benefits of ICD-10CM/PCS.
- Identify the “Impact” that ICD-10 will have on Healthcare Facilities: from administration, directors, managers, coders and billers to physicians, nurses, and other clinicians.
- Explain the major differences between ICD-9-CM and ICD-10-CM/PCS.
- Demonstrate documentation specificity that will be required for the conversion to ICD-10.
- Describe ICD-9-CM vs ICD-10-CM codes used in Quality Measures.
ICD-10 is the updated version of codes used for coding:
- Diagnoses for all providers (ICD-10-CM)
- Inpatient hospital procedures (ICD-10-PCS)

ICD-10-CM is the US “clinical modification” of the WHO ICD-10 code set

ICD-10-PCS is a U.S. creation

These are “classification” code sets
Major Changes from ICD-9 to ICD-10

- Not just the usual annual update
- ICD-10 markedly different from ICD-9
- **Requires changes to almost all clinical and administrative systems**
- **Requires changes to business processes**
- Changes to reimbursement and coverage
- Will enable significant improvements in care management, public health reporting, research, and quality measurement
- Why?
Specific Changes

- Diagnosis Codes (ICD-9 to ICD-10-CM)
  - From 5 positions (first one alphanumeric, others numeric) to 7 positions, all alphanumeric
  - From 13,000 existing codes to 69,000 codes
  - Much greater specificity
  - Full description and consistency within the code set
  - Uses modern terminology for descriptions
  - Creation of combination diagnosis/symptom codes to reduce the number of codes needed to fully describe a condition
Specific Changes

- Enables laterality (right vs. left designations)
  - It makes a difference whether the right or left limb is the subject of the problem
- Restructures reporting of obstetric diagnoses
  - In ICD-9-CM, the patient is classified by diagnosis in relation to the episode of care.
  - In ICD-10-CM, the patient is classified by diagnosis in relation to the patient’s stage of pregnancy
ICD-9-CM vs. ICD-10-CM

ICD-9-CM

- 3 - 5 digits or characters
- 1st character is numeric or alpha (E or V codes)
- 2nd – 5th characters are numeric
- Decimal placed after the first 3 characters
- 17 Chapters and V & E codes are ‘supplemental’
- 14,000 diagnosis

ICD-10-CM

- 3 - 7 digits or characters
- 1st character is alpha (all letters used except “U”)
- 2nd – 7th characters can be alpha or numeric
- Decimal placed after the first 3 characters
- 21 Chapters and V & E codes are ‘not’ supplemental
- 69,000 diagnosis codes
Benefits to Institutions

- Better data
- Better stratification of patients
- Better targeting of resources
- Better matching of payments
- Better measurement of outcomes
- Position for future
- New codes, better definitions, easier updates
WHY Change?

- Out of room
- Obsolete family groups
- 30 years of medical knowledge of etiology
- Not enough detail for computerized analysis
- Inadequate attention to
  - Continuum of disease
  - Clinically relevant subsets

ICD-10 is necessary
Why are we doing this?

“… The ICD-10 code sets provide a standard coding convention that is **flexible**, providing unique codes for all substantially different health conditions. It also allows **new procedures and diagnoses** to be easily incorporated as new codes for both existing and future clinical protocols. ICD-10-CM and ICD-10-PCS provide specific diagnosis and treatment information that can **improve quality measurements and patient safety**, and the evaluation of medical processes and outcomes. ICD-10-PCS has the capability to readily expand and **capture new procedures and technologies.**”
Why are we doing this?

Data precision
- Better data for monitoring performance, case management, process improvement, quality, patient safety and public reporting.
Uses of ICD-9:

- Reimbursement by payers
- Medical necessity screening
- Quality of care indicators
- Outcome measurements
- Medical care review
- Method to index medical records
- Storage and retrieval of dx data
- Utilization patterns and review by payers
- Research data
- Statistics
- Reasons for Denials
- Monitoring and analyzing the incidence of disease and other health problems
- Identify health care trends
- Future health care needs
Quality and Performance Measures

- Many quality measures are either based on or specific to diagnoses
- ICD-10 provides an opportunity to create more targeted and more accurate quality measures by using better diagnosis information
- Provider quality and performance measures can thus be improved, and the data considered more accurate
Quality Improvement

An updated coding system is needed for quality improvement efforts, tracking adverse drug events and medical devices, and protecting the public's health.

Will the transition to ICD-10 be an opportunity for Quality Improvement?
How Will ICD 10 Improve Quality of Care?

ICD 10 will provide Updates to current terminology and specificity
Quality Measures and ICD-10

Foreign Body Left During Procedure: HAC, patient safety indicator

<table>
<thead>
<tr>
<th>ICD – 9</th>
<th>ICD-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>998.4 - foreign body accidentally left during a procedure</td>
<td>= 50 Codes</td>
</tr>
<tr>
<td>998.7 – acute reactions to foreign substance accidentally left during a procedure</td>
<td>- Specify complications due to foreign body (e.g. obstruction, adhesions, perforations), procedures and initial or subsequent encounter</td>
</tr>
</tbody>
</table>
Better decisions with ICD-10

Example: Burns

942.23 - 2nd Degree Burn of Abdomen

- ICD-9 codes do not distinguish between thermal and chemical burns
- ICD-10 codes have separate codes for thermal versus chemical burns
- Documentation is key!
How Will ICD 10 Improve Quality of Care?

Improve Public Health Tracking
How Will ICD 10 Improve Quality of Care?

Discourage Up coding - Fraud
How Will ICD 10 Improve Quality of Care?

Specify Reasons for Patient Non-Compliance
How Will ICD 10 Improve Quality of Care?

Allow for Detailed Data on Injuries and Accidents
How Will ICD 10 Improve Quality of Care?

Track Healthcare Associated Conditions
How Will ICD 10 Improve Quality of Care?

Specify Procedures by Degree of Difficulty
How Will ICD 10 Improve Quality of Care?

Allow for More Precision in Reporting complications From Medical Devices
How Will ICD 10 Improve Quality of Care?

Create Jobs
How Will ICD 10 Improve Quality of Care?

Align With EHR
10 Things You’ll Need to Know for ICD-10 that You Didn’t Need for ICD-9
ICD-10 vs. ICD-9

• Many aspects are the same and the coding function will continue as before

• Since coding will drive reimbursement and enable tracking of services provided, accuracy is more important than ever before
ICD-10-CM: Diagnosis Coding

1. Use of alpha characters
   • 1st character of a three-digit category is a letter
   • 2nd & 3rd characters are numbers
   • Codes may be 4, 5, 6, or 7 characters in length
   • Final character may be a letter or a number
   • The letters “O” and “I” are used; do not confuse with “0” and “1”
2. Dummy placeholder “x” used
   • Used in the 5th character position for some 6 or 7 character codes
   • “Holds” the position for future expansion without disrupting the 6 digit code structure
   • Is basically a “filler” digit with no coding related meaning associated with it
3. Two different types of EXCLUDES notes:

   – Excludes1: “Pure” excludes: the meaning is “not coded here”
     • Mutually exclusive codes
     • Two conditions may not be reported together

   – Excludes2: means “not included here”
     • Although the excluded condition is not part of the condition it is excluded from, a patient may have both conditions at the same time
     • It may be acceptable to use both the code and the excluded code together if supported by documentation
ICD-10-CM: Diagnosis Coding

4. Episode of care differences:
   
   – 7th character extensions added to injury codes to differentiate initial encounter, subsequent encounter, sequela

   – Final character of obstetric codes designate trimester of pregnancy

   – Acute myocardial infarction (AMI) codes designate subsequent AMI, occurring within four weeks (28 days) of a previous AMI
ICD-10-CM: Diagnosis Coding

5. In the MS-DRG system, some diagnosis codes will function as BOTH the principal diagnosis and as a CC/MCC

- Is involved in mapping ICD-10 diagnosis codes back to ICD-9 diagnosis codes

- When one ICD-10 combination code maps back to two ICD-9 codes that contain CC/MCC conditions

- Example:
  995.92 Severe sepsis, and 785.82 Septic shock (MCC) map to R65.21 Severe sepsis with septic shock

- R65.21 as PDx will map to the MS-DRG “with MCC”
ICD-10-PCS: Procedure Coding

1. Completely different structure (independent characters):

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
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</thead>
<tbody>
<tr>
<td>1st character:</td>
<td>Section</td>
<td>5th character:</td>
<td>Approach</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2nd character:</td>
<td>Body System</td>
<td>6th character:</td>
<td>Device</td>
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<tr>
<td>3rd character:</td>
<td>Root Operation</td>
<td>7th character:</td>
<td>Qualifier</td>
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<td>4th character:</td>
<td>Body Part</td>
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*Coding is performed by primarily using tables in which the above characters appear.*
2. Specific anatomical terms are required
   - For example, a tarsal tunnel release involves the tibial nerve
   - A procedure on a capitate bone is considered a procedure on a carpal bone
   - No or more limited use of acronyms; instead of ORIF (open reduction, internal fixation)
   - ORIF of right wrist joint:

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<th>1</th>
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<td>Device</td>
<td>Qualifier</td>
</tr>
<tr>
<td>0</td>
<td>Medical &amp; Surgical</td>
<td>R Upper Joints</td>
<td>S Reposition</td>
<td>N Wrist joint, Right</td>
<td>0 Open</td>
<td>4 Internal Fixation Device</td>
</tr>
</tbody>
</table>

*Final ICD-10-PCS code: 0RSN04Z*
3. The purpose of the procedure is required:

- For example: a pulsatile compression boot application

- The purpose of the boot is to return blood to the heart faster....via intermittent inflation

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</thead>
<tbody>
<tr>
<td>Extracorporeal Assistance and Performance</td>
<td>A. Physiological Systems</td>
<td>0. Assistance</td>
<td>2. Cardiac</td>
<td>1. Intermittent</td>
<td>1. Output</td>
<td>5. Pulsatile Compression</td>
</tr>
</tbody>
</table>

*Final ICD-10-PCS code: 5A02115*
4. Different definitions of familiar terms:

- Revision: Correcting, to the extent possible, a malfunctioning or displaced device
- Removal: Taking out or off a device from a body part
- Excision: Cutting out or off, without replacement, a portion of a body part
- Resection: Cutting out or off, without replacement, all of a body part
- Occlusion: Completely closing an orifice or lumen of a tubular body part
ICD-10-PCS: Procedure Coding

5. Not otherwise specified (NOS) and not elsewhere classified (NEC):
   
   - NOS options are not provided; a minimal level of specificity is required for each component of the procedure
   
   - NEC limited options available; for example, an “other device” option is available to provide appropriate coding for new devices until they are added to the system
Summary

Many quality measures, such as those from Health Grades and the Agency for Healthcare Research and Quality, rely on ICD-9 codes. Increasing the detail and better depicting severity will help clarify the connection between a provider’s performance and the patient’s condition. In addition, ICD-10 greatly expands the codes for medical complications and medical safety issues. So having the additional detail will improve the ability to measure outcomes and ultimately improve the quality of care.
Basic Education Sites

• NCHS – Basic ICD-10-CM Information

• CMS – ICD-10-PCS Information

• AHIMA - ICD-10 Education

• WEDI – ICD-10 Implementation
  [www.wedi.org](http://www.wedi.org)
References

- http://www.cms.hhs.gov/ICD10
- www.ahima.org
Questions