



ICD-10: Facts for Hospitals

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Shana Olshan
Director, National Standards Group
Centers for Medicare and Medicaid Services



Today's Presentation

Topics

- ICD-10-CM and ICD-10-PCS overview
- ICD-10's impact on hospital claims
- Calculation of hospital quality measures
- CMS testing plans and results
- How to participate in CMS acknowledgement testing
- Tips for participants in CMS end-to-end testing
- CMS resources





ICD-10 Overview

October 1, 2015 Compliance Date

- ICD-10-CM (diagnosis codes) will be used by all providers in every setting
- ICD-10-PCS (procedure codes):
 - Used only for hospital claims for inpatient procedures
 - Not used on physician claims, not even those for inpatient visits



Single Implementation Date

October 1, 2015 for everyone based on:

Date of service for ambulatory and physician reporting

Use ICD-10 diagnosis codes on or after Oct 1

 Date of discharge for hospital claims for inpatient setting

Use ICD-10 diagnosis and procedure codes on or after Oct 1

Continue to use ICD-9 for dates of service or discharge before Oct 1





CPT and HCPCS

No impact on use of:

- CPT (Current Procedural Terminology) codes
- HCPCS (Healthcare Common Procedure Coding System) codes

CPT and HCPCS will continue to be used for physician and ambulatory services *including* physician visits to inpatients



ICD-10-CM Structure

ICD-9-CM	ICD-10-CM	
• 3 – 5 characters	• 3 – 7 characters	
1st character numeric or alpha	1st character alpha	
 Characters 2 – 5 always numeric 	• Characters 3 – 7 alpha or numeric	
 Decimal used after 3 characters 	 Decimal used after 3 characters 	

Note: ICD-10 alpha characters are *not* case-sensitive

Example: right ankle sprain, initial encounter S93.401A, S93.401a, s93.401A, s93.401a





ICD-10-PCS Structure

ICD-9-CM	ICD-10-PCS	
• 3 – 4 characters	• 7 characters	
All characters numeric	 Characters can be alpha or numeric 	
Decimal used after 2 characters	No decimal	

Note: ICD-10-PCS codes not

case-sensitive







Impact on Hospital Revenue

CMS analysis using 10 million FY2013 MedPAR records found:

- 0.41% had DRG shift to higher paying DRG \$13 more per \$10,000 (+0.13%)
- 0.66% had DRG shift to lower paying DRG \$17 less per \$10,000 (-0.17%)
- Net: 1.07% with a DRG shift
 \$4 less per \$10,000 (-0.04%)
- Statistically zero





Hospital Quality Measures

<PLACEHOLDER FOR INFO ON CALCULATING MEASURES FOR HOSPITAL QUALITY PROGRAM>>





Acknowledgement vs End-to-End Testing

Question	Acknowledgement testing	End-to-End testing
How many testers can participate?	Unlimited	Up to 50 end-to-end testers selected per MAC jurisdiction for each testing round.
What dates of services do testers use?	Current dates of service	Future dates of service (see <u>MLN SE1501</u> *)
Will the testing confirm payment and return an ERA to the tester?	No	Yes
Will the testing test National Coverage Determinations (NCDs) and Local Coverage Determinations (LCDs)?	No	Yes

^{*}http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/SE1501.pdf





Medicare Acknowledgement Testing

- Available through September 30 to all Medicare FFS electronic submitters:
 - Providers
 - Suppliers
 - Clearinghouses
 - Billing agencies
- No registration required
- Unlimited number of claims can be submitted



Medicare Acknowledgement Testing

Results

- No Medicare FFS claims systems issues
- Rejections largely due to issues unrelated to ICD-10

Tips

- You may submit directly or via clearinghouse or biller
- Check for valid NPI(s)
- Use current dates of service
- Include test indicator "T" in Interchange Control Structure (ISA) 15 field



Medicare End-to-End Testing

Tips

- Use future dates of service:
 - Inpatient claims: discharge dates on or after Oct 1, 2015
 - Professional and institutional claims: Oct 1 Dec 31, 2015
- Submit directly to your MAC with test indicator "T" in the ISA 15 field or through DDE submitters
- January and April end-to-end testers do not need to reapply to test again next week
- Check with your commercial health plans about testing



Resources

Visit cms.gov/ICD-10

- Videos
- CME/CE opportunities
- Fact sheets
- Latest news
- Road to 10 (<u>roadto10.org</u>)

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ICD-10 Coding and Diabetes Video



ICD-10.
COMPLIANCE DATE OCTOBER 1, 2015









Resources

Provider-Initiated Beta Testing Tools

- 1) NCD/LCD conversions to ICD-10
- 2) MS-DRG conversion project
- 3) Integrated Outpatient Code Editor

NCD: National Coverage Determination

LCD: Local Coverage Determination

MS-DRG: Medicare Severity-Diagnosis Related Group

https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-

MLN/MLNMattersArticles/Downloads/SE1409.pdf





Questions





