ICD-10 Coding:
Preparing for the Next Phase

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Mary Pat Johnson acknowledges a financial interest in the subject matter of this presentation.
Kirk A. Mack acknowledges a financial interest in the subject matter of this presentation.

ICD-10-CM Changes Everything

Executive Summary
• ICD-9 vs ICD-10
• Laterality
• Specificity and 7th character use
• Documentation challenges
• Payment issues
• Grace period
• Payer policies
• Inappropriate denials / mapping issues
• PQRS and MU implications
• 2017 Proposed Change

Compare and Contrast

ICD-9
• 17 Chapters
• 14,000 codes
• 3-5 digits
• First digit is numeric or alpha (E or V)
• Digits 2-5 are numeric

ICD-10
• 21 Chapters
• ~ 69,000 codes
• 3-7 digits
• Digit 1 is alpha
• Digit 2 is numeric
• Digits 3-7 are alpha or numeric (alpha digits are not case sensitive)

Mapping Issues
“Laterality”

• ICD-9 code = 366.16
• Under: Senile Cataract
• Nuclear sclerosis
• ICD-10: Right, Left, and Bilateral designations
  1 = right
  2 = left
  3 = bilateral
  0 or 9 = unspecified
• Example:
  H25.11 Age-related nuclear cataract, right eye
  H25.12 Age-related nuclear cataract, left eye
  H25.13 Age-related nuclear cataract, bilateral
  H25.10 Age-related nuclear cataract, unspecified eye
Exception example (diseases of eyelids)

- H02.011 Cicatricial entropion of right upper eyelid
- H02.012 Cicatricial entropion of right lower eyelid
- H02.013 Cicatricial entropion of right eye, unspecified eyelid
- H02.014 Cicatricial entropion of left upper eyelid
- H02.015 Cicatricial entropion of left lower eyelid
- H02.016 Cicatricial entropion of left eye, unspecified eyelid
- H02.019 Cicatricial entropion of unspecified eye, unspecified eyelid

Terminology

"Laterality"

Seventh (7th) Character Extension

- Some categories have applicable 7th characters
- Last character
  - If code is not six digits, use "x" as placeholder
- "x" as placeholder
  - For when characters are needed for expansion

7th Character Extension - “A”

- Initial encounter is used while the patient is receiving active treatment for the condition.
- Examples of active treatment are: surgical treatment, ER encounter, E/M by a new physician

7th Character Extension - “D”

- Subsequent encounter is used for encounters after the patient has received active treatment of the condition and is receiving routine care for the condition during the healing or recovery phase.
- Examples of subsequent encounter are: cast change or removal, removal of external or internal fixation devices, medication adjustment, other aftercare and follow up visits following treatment of the injury or condition.

7th Character Extension – “S”

- Sequela is for use for complications or conditions that arise as a direct result of a condition, such as scar formation after a burn.
- When using 7th character “S”, it is necessary to use both the injury code that precipitated the sequela and the code for the sequela itself. The “S” is added only to the injury code, not the sequela code. The sequela is sequenced first.
Example
Open Globe with Prolapsed Iris

- Category – Chapter 19 – Injury, Poisoning . . .
  S05 – Injury of eye and orbit
- Subcategory – 5th S05.2 – Ocular laceration and rupture with prolapse or loss of intraocular tissue
- Specificity – x 7th S05.21 Ocular laceration and rupture with prolapse or loss of intraocular tissue, right eye
- Valid code – S05.21xA -- Ocular laceration and rupture with prolapse or loss of intraocular tissue, right eye; initial encounter

7th Character Extension

For glaucoma staging, 7th denotes severity of disease
- 0 = unspecified (not noted in chart)
- 1 = mild
- 2 = moderate
- 3 = severe
- 4 = indeterminate (unknown)
Example: Glaucoma Staging

- How would you code for moderate, low tension glaucoma, OU?

- Low-tension Glaucoma
  - H40.12

- Low-tension Glaucoma, bilateral
  - H40.123

Example: Glaucoma Staging

- How would you code for moderate, low tension glaucoma, OU

- Low-tension Glaucoma
  - H40.12

- Low-tension Glaucoma, bilateral, moderate
  - H40.1232

Example: Glaucoma Staging

- How would you code for moderate, low tension glaucoma, OD, and severe, low tension glaucoma, OS?
Example: Glaucoma Staging
7th character "is to be assigned to each code in subcategory H40.12 to designate the stage of glaucoma"
- Low-tension Glaucoma
  - H40.12

Example: Glaucoma Staging
7th character "is to be assigned to each code in subcategory H40.12 to designate the stage of glaucoma"
- Low-tension Glaucoma
  - H40.12
- Low-tension Glaucoma, right eye, moderate stage
  - H40.1212

Example: Glaucoma Staging
7th character "is to be assigned to each code in subcategory H40.12 to designate the stage of glaucoma"
- Low-tension Glaucoma
  - H40.12
- Low-tension Glaucoma, right eye, moderate stage
  - H40.1212
- Low-tension Glaucoma, left eye, severe stage
  - H40.1223

Example: Glaucoma Staging
7th character "is to be assigned to each code in subcategory H40.12 to designate the stage of glaucoma"
- Low-tension Glaucoma
  - H40.12
- Low-tension Glaucoma, right eye, moderate stage
  - H40.1212
- Low-tension Glaucoma, left eye, severe stage
  - H40.1223

Combination Codes
"Combination Code"
- Single code used to classify two diagnoses
  1. Diagnosis with an associated manifestation
  2. Diagnosis with an associated complication
- Examples
  - E11.321 – Type 2 diabetes mellitus with mild nonproliferative diabetic retinopathy with macular edema
  - H59.032 – Cystoid macular edema following cataract surgery, left eye
Diabetes Mellitus

Insulin use

- All categories except E10 (Type 1 DM) require use of additional code to identify any insulin use
- Z79.4 – Long term (current) use of insulin

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External Causes

Your patient was hit in the right eye by a paintball when a friend’s paintball gun malfunctioned.

Your eye doctor diagnoses RUL laceration, conjunctival hemorrhage, and traumatic hyphema OD. What ICD-10 code(s) apply at this visit?

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External Causes

S01.111A  Laceration of right eyelid w/o foreign body, initial encounter
S05.11xA  Contusion of eyeball and orbital tissues, right eye, initial encounter
          Traumatic hyphema

H11.31    Conjunctival hemorrhage, right eye

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External Causes

S01.111A  Laceration of right eyelid w/o foreign body, initial encounter
S05.11xA  Contusion of eyeball and orbital tissues, right eye, initial encounter
          Traumatic hyphema
H11.31    Conjunctival hemorrhage, right eye
W34.011A  Accidental discharge of paintball gun; accidental injury, initial encounter
          Ch 20 codes (V, W, X, Y) are not required.
Executive Summary

• ICD-9 vs ICD-10
  • Laterality
  • Specificity and 7th character use
• Documentation challenges

Documentation Considerations

• Laterality
  • Is your assessment specific to which eye or eyelid?
• Etiology / Manifestation
  • Does your chart note list both the disease and the associated manifestation?
• Specificity
  • Is the impression as specific as possible for a particular condition?

Documentation Considerations

<table>
<thead>
<tr>
<th>Old</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eyelid laceration</td>
<td>Laceration LLL</td>
</tr>
<tr>
<td>Cataract</td>
<td>Combined forms of cataract, left eye</td>
</tr>
<tr>
<td>Diabetic</td>
<td>Type II DM, mild NPDR w/ DME, takes insulin</td>
</tr>
<tr>
<td>Iritis</td>
<td>Chronic iritis, OU</td>
</tr>
<tr>
<td>Ptosis</td>
<td>Myogenic ptosis, RUL, LUL</td>
</tr>
</tbody>
</table>

Hints for Better Charting

• List all pertinent diagnoses under Impression/Plan
• Select code that addresses all the questions:
  • What? Diabetic Retinopathy
  • What type? Non-proliferative
  • How bad? Moderate
  • Where? Both eyes
  • What else? With DME

1. Cataract

CC: ☑ cataracts, OU, slow decrease VA during past 6 mos, trouble reading, glare worsening
Dx: Cataracts OD>OS
Tx: Schedule phaco IOL OD

366.16 Nuclear Sclerotic Cataract

What is the appropriate ICD-10 code?
1. Cataract

CC: Cataracts, OD, slow decrease VA during past 6 mos, trouble reading, glare worsening
Dx: Nuclear sclerotic cataracts OD>OS
Tx: Schedule phaco IOL OD

H25.13 NS, Cataract, OU

2. Chronic Open Angle Glaucoma

CC: IOP Glaucoma
Dx: Glaucoma
Tx: Schedule Selective Laser Trabeculoplasty (SLT) OD

365.11 Primary Open Angle Glaucoma

3. Secondary Cataract

CC: Pseudophake OS, 2 years ago, great difficulty with reading small print
Dx: Posterior capsule opacity (PCO)
Tx: Schedule YAG OS

366.53 After cataract, obscuring vision
3. Secondary Cataract

**CC:** Pseudophake OS, 2 years ago, great difficulty with reading small print
**Dx:** Secondary cataract OS; pseudophakia OS
**Tx:** Schedule YAG OS

- **H26.492** Other 2nd cat, OS
- **Z98.42** Cataract extraction status, OS
- **Z96.1** Presence of IOL

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4. Corneal Ulcer

**CC:** ✓ corneal ulcer, OD, improved
**Dx:** Central corneal ulcer, almost resolved
**Tx:** Finish meds

- **370.00** Corneal Ulcer (unspecified)
- **370.03** Central corneal ulcer

**CC:** ✓ corneal ulcer, OD, improved
**Dx:** Central corneal ulcer, almost resolved

**Tx:** Finish meds

- **H16.011** Central corneal ulcer, OD

(Cannot code the improvement)

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5. Chalazion

**CC:** Small bump OS, 3-4 days, increasing pain, redness
**Dx:** Chalazion OS
**Tx:** Warm compresses, meds

- **373.2** Chalazion

**CC:** Small bump OS, 3-4 days, increasing pain, redness
**Dx:** Chalazion OS
**Tx:** Warm compresses, meds

- **373.2** Chalazion

What is the appropriate ICD-10 code(s)?
5. Chalazion

CC: Small bump LLL, 3-4 days, increasing pain, redness
Dx: Chalazion LLL
Tx: Warm compresses, meds

H00.15 Chalazion, left lower eyelid

6. Background Diabetic Retinopathy

CC: Recently Dx Diabetes needs exam
Recently Dx Diabetes (Type II), needs exam
Dx: 1) Diabetes (Note: on oral hypoglycemics only)
2) BDR
2) Mild non-proliferative DR, OU
Tx: Letter to PCP/Endocrinologist, Control Blood sugars
Recheck 1 yr

250.50 DM w/ mention of complication, not stated as uncontrolled
362.01 BDR
362.04 Mild NPDR

6. Background Diabetic Retinopathy

CC: Recently Dx Diabetes needs exam
Recently Dx Diabetes (Type II), needs exam
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Problems Seen to Date

- Unable to code from chart notes
- Insufficient characters
- Too many digits / invented code
  - Choosing laterality when inappropriate
- Incompatible codes
  - Excludes1, Excludes2
- Undesirable code use
  - Unspecified or other nonspecific code used (Does not match chart specifics)

E11.329 Type II DM with mild NPDR w/o macular edema

*BDR is not an option in ICD-10
Possible ICD-10 Omissions

- Missing required additional code
  - “Code Also”, “Code First”
  - “Use Additional Code”
- Missing pertinent co-morbidities
- Missing history of prior surgery
- Missing history of prior implant, graft

Coding Leniency?

- CMS has said it will not deny or audit claims just for specificity for one year after implementation of ICD-10, as long as the ICD-10 code is from the appropriate "family of codes"
- CMS stated auditors will not deny a claim "based solely on the specificity of the ICD-10 diagnosis code as long as the physician/practitioner used a valid code from the right family."

Payer Policy Issues

- Payer’s policies does not properly translate the ICD-9 codes to ICD-10 for coverage purposes
- Payer omits some codes in the new policy
  - 362.53 (CME) and 362.07 (DME) both had ICD-9 coverage
    - H59.03- omitted
    - Diabetic retinopathy codes (E10, E11) ending in “1” (with ME) are omitted but the ending “9” (without ME) are included
- Be sure and check the new policies
  - Enlist professional associations for assistance

Executive Summary

- ICD-9 vs ICD-10
  - Laterality
  - Specificity and 7th character use
- Documentation challenges
- Payment issues
  - Grace period
  - Payer policies
  - Inappropriate denials / mapping issues
- PQRS and MU Implications
**PQRS and MU**

- One year grace period with no denials based on specificity as long as ICD-10 code is from appropriate “family of codes”
- No penalty with quality programs (PQRS, VBM, MU) as long as appropriate “family of codes is used”


**Executive Summary**

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**Revised ICD-10 Codes**

- Announced March 22, 2016
- 2670 new or revised ICD-10 codes proposed
- Effective 10/1/2016

- 260 new diabetes combination codes
- Add laterality to several codes in Chapter 7
- Includes revisions to numerous codes in Chapter 19

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**ICD-10 Update**

**ICD-10 (Now)**

- H35.31 (Dry AMD)
- H40.11x2 (OAG, Moderate stage)
- E11.329 (Type II DM, Mild NPDR, no DME)

**ICD-10 (Proposed 10/01/16)**

- H35.3112 (Non-exudative AMD, intermediate stage, OD)
- H40.1122 (OAG, Moderate stage, OS)
- E11.3293 (Type II DM, mild NPDR, no DME, bilateral)
- E11.3532 (Type II DM, PDR, traction RD not involving macula, OS)

Note that eye is 6th character
AMD stage is 7th character
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<tr>
<td>- H35.32 (Wet AMD)</td>
<td>- H35.3211 (Exudative AMD, OD, with active CNV)</td>
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<td>- H35.3212 (Exudative AMD, OD, with inactive CNV)</td>
<td>- H35.3221 (Exudative AMD, OS, with active CNV)</td>
</tr>
<tr>
<td>- H35.3222 (Exudative AMD, OS, with inactive CNV)</td>
<td>- Note that eye is 6th character</td>
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<td>- Active/inactive is 7th character</td>
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<tr>
<td>- H40.11x2 (OAG, Moderate Stage)</td>
<td>- Important similarity to AMD proposal:</td>
</tr>
<tr>
<td></td>
<td>- Eye is 6th character</td>
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<tr>
<td></td>
<td>- Stage remains 7th character</td>
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<tr>
<td></td>
<td>- H40.1112 (Mod Stage OAG, OD)</td>
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<tr>
<td>- H34.811 (CRVO, OD)</td>
<td>- Important:</td>
</tr>
<tr>
<td></td>
<td>- Some “X” placeholders required</td>
</tr>
<tr>
<td></td>
<td>- E11.37x2 (Type 2 DM w/ DME, resolved following treatment, OS)</td>
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<td>- H34.8111 (CRVO, OD)</td>
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<td>- H34.8110 CRVO, OD, w/ ME</td>
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<tr>
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<td>- H34.8111 CRVO, OD, w/ retinal neovascularization</td>
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<td>- H34.812 CRVO, OD, stable</td>
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<td>- H34.831 (Tributary (Branch) Retinal Vein Occlusion, OD)</td>
<td>- Important:</td>
</tr>
<tr>
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<td>- EYE is 6th character</td>
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<tr>
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<td>- 7th character: “0”, “1”, and “2” for +/- ME or stable</td>
</tr>
<tr>
<td></td>
<td>- H34.8310 BRVO, OD, w/ ME</td>
</tr>
<tr>
<td></td>
<td>- H34.8311 BRVO, OD, w/ retinal neovascularization</td>
</tr>
<tr>
<td></td>
<td>- H34.8312 BRVO, OD, stable</td>
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</tbody>
</table>
ICD-10 Update

ICD-10 (Now)
- E11.359 (Type II DM, with PDR, w/o DME)
- H33.41 (Traction RD of retina OD)

ICD-10 (Proposed 10/01/16)
- Important:
  - 7th character
  - Some new PDR codes (RD, etc)
- E11.3531 (Type II DM, PDR, traction RD not involving macula, OD)
- E11.3521 (Type II DM, PDR, traction RD involving macula, OD)

Assessment & Maintenance Toolkit

1. Establish base line for key practice indicators (KPI)
   - Days to final bill
   - Days to payment
   - Claims rejection rate
   - Claims denial rate
   - Requests for additional information
   - Use of unspecified codes

2. Address findings – Troubleshooting
   - Feedback from staff
   - Clinical documentation and code selection
   - System issues
   - Payer issues
   - Audit charts

3. Maintain progress – stay up to date
   - Watch for October 1, 2016 updates
   - Watch for updates for CMS guidelines including LCDs
   - Educate staff on updates
   - Insure IT updates include changes (i.e. EHR, PM)

October 1, 2016 Possible Issues

- EHR and PM System updates
- Training regarding the new codes
- Monitor coverage guidelines and LCDs by payers
  - Diagnostic testing (retinal/glaucoma conditions)
  - Procedures (retinal/glaucoma conditions)
- Be sure and check the new policies and LCDs
  - Watch for DRAFT LCDs and comment periods
  - Prepare to contact your MAC or commercial payers
  - Draft notification/appeal letter
  - Old policies set the standard
Take Away Points

- Grace period from CMS ends September 30, 2015
- Review subtle nuances in ICD-10
  - A, D, S for injury/trauma
  - Glaucoma staging
  - Excludes 1 / Excludes 2
  - Code also
- Eliminate use of unspecified codes when alternative(s) exist
- Watch for policy and LCD drafts between now and October 1, 2016
  - Contact payers for omissions/errors

Take Away Points

- Educate staff on new/revised ICD-10 codes for October 1, 2016
- Insure IT updates for EHR and PM systems are installed in advance
- Test new ICD-10 codes with clearinghouse
- Audit charting to insure specificity
- Buy a new 2017 ICD-10 manual

Additional Assistance

(800) 399-6565
Website: www.CorcoranCCG.com
Mobile application: Corcoran 24/7