

Med Inf 405

Session 9 - Study Questions and Answers

1. What types of information are coded using the ICD-9-CM standard?

Diagnoses (Mortality and Morbidity) as well as procedural data from inpatient & outpatient hospitals, long-term care & home health agencies & other encounters.

2. What are some uses of data coded using ICD-9-CM?

Classifying morbidity & mortality information for statistical purposes; Indexing hospital records by disease & operations; Reporting diagnoses & procedure for reimbursement; Storing & retrieving data; Determining patterns of care among healthcare providers; Analyzing payments for health services; Performing epidemiological studies, clinical trials, & clinical research; Measuring quality, safety, & efficacy of care; Designing payment systems; Setting health policy; Monitoring resource utilization; Implementing operational & strategic plans; Designing healthcare delivery systems; Improving clinical, financial, & administrative performance; Preventing & detecting healthcare fraud and abuse; Tracking public health and risks.

3. Which standard does the United States use to report mortality statistics to the WHO?

ICD10-CM

4. What is the purpose of ICD?

The systematic recording, analysis, interpretation, & comparison of mortality & morbidity data collected in different countries.

5. What structural changes are present in ICD-10 when compared to ICD-9?

ICD-10 provides more categories for disease and other health-related conditions than previous versions. ICD-10 has the following general structure (3 volumes, consisting of 21 chapters, with alphanumeric codes). Vol. 1 is codes, Vol. 2 is instructions. Vol 3 is Alphabetical Index. **Changes:** Dramatically expanded diagnostic & procedural codes; Field length – systems, interfaces, & databases need to accommodate the larger 7 digit fields; Alphanumeric characters: the first character is a letter, not a number. Systems, interfaces, & databases need to accommodate the alphanumeric characters used in ICD-10-PCS; Database size – the ICD10 code set is much larger than ICD-9 (so it requires more storage space); Dual code sets – during the transition to the new code sets, most systems will need to run ICD-10 & ICD-9 & 4010 & 5010 transaction standards; Four more chapters; Separate chapters for diseases of the nervous system, the eye & adnexa, & diseases of the ear and the mastoid process; No separation of codes explaining the external causes of injury & poisoning, & the factors influencing health status & contact with health services from the core classification; ICD-10 codes begin with an alphanumeric character, so chapters begin with a new letter; Chapter content & order are different (i.e., diseases of the skin and subcutaneous tissue & diseases of the musculoskeletal system & connective tissue follow chapters for diseases of the digestive system); Category restructuring & code reorganization (i.e., certain diseases & disorders are classified differently, i.e., streptococcal); Exclusion note expansion and precedence of

other group chapters; Blocks, notes, drug induced conditions, post procedural disorders, complete titles, etiology, & manifestation.

6. How can payers leverage the additional data provided by a greater level of specificity within ICD-10?

Value based purchasing supported by greater level of detail. Payers can drill down into claims data for quality metrics; Fraud detection—ICD-10 reduces ambiguity & misinterpretation by providing more detail. Facilitates use of tools to look for questionable patterns. ICD-9 could be used to hide fraud; Historical claims analysis-> detail allows payers to have better understanding of the prevalence of chronic conditions & practice patterns. Medical Management -> detail can assist efforts focused on disease, utilization, case management, & policy.

7. What challenges does ICD-10 present for payers?

(1) Older systems may not be able to handle the expanded character sets used in ICD-10; (2) Staff members will need ICD-10 training in order to develop business rules used in claims adjudication, fraud detection, medical management, medical policy, and any claims auditing efforts; (3) To improve clinical documentation, payers may need to provide the proper physician incentives; (4) Provider help lines will need additional staff to accommodate higher call volumes; (5) Payers may see a drop in reimbursement and lower first-pass rates for claims; (6) Providers running dual billing systems will likely submit claims in both ICD-9 and ICD-10 formats. Systems may not be able to compare historical ICD-9 data to new ICD-10 data for use in provider contracting and rate setting; (7) Systems will need to utilize the reimbursement mapper for all payment methodologies that currently use ICD-9-CM codes

8. What challenges do providers and hospitals have to overcome in order to benefit from the implementation of ICD-10?

Provider. Provider organizations will need to train clinicians to improve their documentation practices (and motivate them); Retraining coding professionals; Application upgrades & changes. Older technologies may not work; Productivity decreases; Training expenses (Approx. 3,000/coder); Increased reporting requirements; Increased claims denials; Superbill management and mapping strategies (redo forms). **Hospital.** Reporting requirements may increase; Older technologies may need to be replaced; Upgrade systems; New value based purchasing; Increased EHR budget; Computer-assisted coding may be needed; Clinical documentation must be improved to support higher levels of specificity; Coders will retire; Productivity decrease; Clinical & non-clinical staff training required; Provider & Payer processing errors may cause denials and reduced cash flow.

9. What are the one-time and recurring costs associated an ICD-10 implementation?

One Time Costs: Training (Inpatient/outpatient coders; physician office coders; physicians/clinicians); Other uses. **Consulting:** Assessment or planning; System selection; System configuration or management; System implementation; Other users of ICD-10. **Productivity losses:** Coder training; coder productivity decreases while 1st using ICD-10. **Information Systems:** Modifications; Upgrades, Testing, new

systems/purchases. **Recurring Costs:** Salaries for dedicated/devoted resources for compliance & implementation; System maintenance costs (new/existing); Consulting & contract coders; Annual or monthly subscriptions to hosted systems that replace software-based systems.

10. Which healthcare settings is the ICD-10-CM standard used in?

Inpatient and outpatient hospitals, acute short-term & long-term hospital inpatient & physician office & other outpatient settings (all healthcare settings), home health agencies.

11. Which healthcare setting is the ICD-10-PCS standard used in?

Used in hospitals (in-patient).