McKesson Business Performance Services presents
ICD-10-CM for Radiology, Pathology, and Lab Areas of Healthcare

January 15, 2015

*Presentation previously used during 2013 webinar. Some dates may have been changed to reflect new ICD-10 deadlines.
McKesson: At-A-Glance

America’s oldest and largest healthcare services company

- Founded in 1833
- Ranked 14th on Fortune’s list
- Headquartered in San Francisco
- More than 37,000 employees
- Two segments: Distribution Solutions and Technology Solutions

Together with our customers and partners, we are creating a sustainable future for healthcare. Together we are charting a course to better health.
McKesson Business Performance Services (BPS) & Products

ACO Services
IPA Operations and Management
TPA Operations and Management
ACO Development and Analytics
- Claims Adjudication
- Utilization Review
- Network Development
- Case Management

Physician Practice Management Services
Physician Group Operations
Physician Group Management
Revenue Cycle Management

Technology Services and Solutions
Electronic Health Records (EHR)
Practice Management Systems (PM)
Data Analytics and Practice Benchmarking
Electronic Data Interchange

Consulting Services
Physician Managed Care Contracting
Physician Coding and Compliance
Group Practice Strategic Planning
Hospital Revenue Cycle
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Agenda

• Index
• Conventions
• Format
• Structure
• Impact to Radiologists, Pathologists, & Clinical Laboratories
• Risks & Challenges
• Documentation Guidelines
• Case Examples
• Questions
What’s the Big Deal?

ICD-9-CM vs. ICD-10-CM
# ICD-9-CM and ICD-10-CM: Key differences

<table>
<thead>
<tr>
<th>ICD-9-CM Volume 1 &amp; 2</th>
<th>ICD-10-CM</th>
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</thead>
<tbody>
<tr>
<td>13,000 Diagnosis Codes</td>
<td>68,000 Diagnosis Codes</td>
</tr>
<tr>
<td>3- to 5-digit Codes</td>
<td>3- to 7-digit Codes</td>
</tr>
<tr>
<td>Code Format:</td>
<td>Code Format:</td>
</tr>
<tr>
<td>Numeric Codes for all Chapters</td>
<td>Digit 1 is alphabetic</td>
</tr>
<tr>
<td>Alphanumeric for Supplementary Chapters (V-codes and E-codes)</td>
<td>Digits 2-7 are numeric</td>
</tr>
<tr>
<td>No Dummy Placeholder</td>
<td>Presence of Dummy Placeholder</td>
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<thead>
<tr>
<th>ICD-9-CM Volume 3</th>
<th>ICD-10-PCS</th>
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</thead>
<tbody>
<tr>
<td>11,000 Procedure Codes</td>
<td>87,000 Procedure Codes</td>
</tr>
<tr>
<td>3- to 4-Digit Codes</td>
<td>7-Digit Codes</td>
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**Structural (format) and volume differences**
The Index

- In ICD-9-CM, the index is the very first place to go when you are trying to find information about a specific condition, disease, sign or symptom, or any other clue that would help us find a particular code.

- In ICD-10-CM you use the very same process except:
  - ICD-10-CM has a first character that is identified by a letter followed by numbers;
  - Once there, you use the three digit alpha-numeric code to guide us to the numeric Tabular section.
ICD-10-CM Changes

• Greater Clinical detail
  o Updated to conditions and diseases seen today

• Laterality: left and right
  o Specific codes related to site of condition, disease or injury

• BMI and Pressure Ulcers
  o BMI should be referenced as a secondary diagnoses
  o Pressure ulcer will now include the stage along with the location

• Complications of Care
  o Clear documentation from the physician

• Combination codes
  o Causal relationships
Signs and Symptoms

When to use Signs and Symptoms?

• When findings are negative or normal use the signs or symptoms that prompted the ordering of the test.

• Radiologists and Pathologists code their definitive finding first, but if no pathology is found, they are required to code the clinician’s reason for ordering the radiology or pathology test.

• Coders can report a sign or symptom as a principal diagnosis when:
  – The etiology of the sign or symptom is unknown at the time of discharge;
  – The sign or symptom is due to an unsubstantiated contrasting or comparative etiology at the time of discharge;
  – The sign or symptom is due to the adverse effect of a drug.
What’s the Big Deal?

Structure & Format
Structural Differences in ICD-10-CM

• Sense organs (eyes and ears) have been separated from the nervous system and have their own chapters in ICD-10-CM.

• ICD-9-CM’s V and E codes are incorporated into the main classification in ICD-10-CM.

• Injuries are grouped first by specific site (head, arm, etc.) then by type of injury (fracture, open wound, etc.) versus type of injury in ICD-9-CM.
Structural Differences

• ICD-10-CM utilizes a placeholder character ‘X’

• ‘X’ is used as a placeholder at certain codes to allow for future expansion
  – Example of this is at the poisoning, adverse effect and under-dosing codes, categories T36 – T50

• Where a placeholder exists, the X must be used in order for the code to be considered a valid code
Structural Differences

Example: S52.502A
Unspecified fracture lower end of left radius, initial encounter for closed fracture
ICD-10-CM: What is different from ICD-9-CM?

ICD-10-CM Code for: Unspecified part of right clavicle, initial encounter for closed fracture

| S | 4 | 2 | 0 | 0 | 1 | A |

ICD-9-CM Code for: Fractured clavicle, unspecified, closed

| 8 | 1 | 0 | 0 | 0 |

What additional details does the ICD-10-CM code provide?

- Laterality – Right clavicle
- Extension – Initial encounter
ICD-10-CM Similarities

• “And” means and/or

• “With” means associated with or due to

• NEC and NOS are used the same

• Coding conventions for “use of”, “other” and “unspecified” codes are unchanged.

• The code conventions for “includes notes” and “inclusion terms” are unchanged.
Benefits of ICD-10-CM

- ICD-10-CM incorporates much greater clinical detail and specificity than ICD-9-CM. Terminology and disease classification are updated to be consistent with current clinical practice. The modern classification system will provide much better data needed for:
  - Measuring the quality, safety, and efficacy of care
  - Reducing the need for attachments to explain the patient’s condition
  - Designing payment systems and processing claims for reimbursement
  - Conducting research, epidemiological studies, and clinical trials
  - Setting health policy
  - Operational and strategic planning
  - Designing health care delivery systems
  - Monitoring resource use
  - Improving clinical, financial, and administrative performance
  - Preventing and detecting health care fraud and abuse
  - Tracking public health and risks
New Features in ICD-10-CM

The following new features can be found in ICD-10-CM:

1) Laterality (Left, Right, Bilateral)

Examples:
C50.511 – Malignant neoplasm of lower-outer quadrant of right female breast;
H16.013 – Central corneal ulcer, bilateral; and
L89.012 – Pressure ulcer of right elbow, stage II.

2) Combination Codes For Certain Conditions and Common Associated Symptoms and Manifestations

Examples:
K57.21 – Diverticulitis of large intestine with perforation and abscess with bleeding;
E11.341 – Type 2 diabetes mellitus with severe nonproliferative diabetic retinopathy with macular edema; and
I25.110 – Atherosclerotic heart disease of native coronary artery with unstable angina pectoris.

3) Combination Codes for Poisonings and Their Associated External Cause

Example:
T42.3x2S – Poisoning by barbiturates, intentional self-harm, sequela.
What’s the Big Deal?

Anatomy & Physiology
ICD-10-CM Transition: Study Anatomy

- ICD-10-CM has greater need for coders to understand human anatomy.
Radiology
Impact to Radiologists

- The ICD-10-CM code system was designed to capture more detail.
- You need to incorporate that detail into your interpretive report and the patient’s medical record. For example, the coding for injuries such as fractures.
Radiologists and their practice managers must work with referring physicians so they provide detailed medical necessity to translate into ICD-10-CM based diagnoses.

1. Develop a plan to contact your high volume referring physicians and begin to work extensively with them to prepare for ICD-10-CM.
2. Referring physicians must supply radiologists with specific, detailed orders

Failure of referring physicians to supply this information may cause delayed or lost reimbursement to the radiologist.
Example: Hip fracture, neck of femur, closed

- **ICD-9-CM code**: 820.8 – Fracture of neck of femur; unspecified part of neck of femur, closed
- **ICD-10-CM code**: S72.009A – Fracture of unspecified part of neck of unspecified femur, *initial encounter for closed fracture*

When coding fractures, the “A” in the ICD-10-CM code is the indicator of the “episode of care” with “A” meaning it is the initial encounter.

- With ICD-10-CM, it will also be necessary for the radiologist to document the encounter type.
- Current coding does not necessitate the inclusion of that information.
Example: Limb Pain

• ICD-9-CM code: 729.5 – Pain in limb
• ICD-10-CM code: M79.609 – Pain in unspecified limb

• While these two descriptors are similar, there are more indicators with ICD-10-CM:
  – the “M” represents diseases of the musculoskeletal system, and
  – the “79” indicates other and unspecified soft tissue disorders, not elsewhere classified.
Example: Limb Pain

- In reality, the best way to dictate and code “pain in limb” under ICD-10-CM is to report one of the 38 available codes for that condition, for example:
  - M79.60 – M79.609 – arm or leg and left or right
  - M79.62 – M79.639 – upper arm or forearm, left or right
  - M79.64 – M79.646 – hand or fingers, left or right
  - M79.65 – M79.669 – thigh or lower leg, left or right
  - M79.67 – M79.676 – foot and toes, left or right
Steps To Identify The Correct Code

- Postmenopausal osteoporosis with current pathological fracture, vertebra, initial encounter for fracture

- Step 1…Look up term in Alphabetic Index:
  - Osteoporosis (female) (male) M81.0
  - postmenopausal M81.0
  - vertebra M80.08
Steps To Identify The Correct Code

• **Step 2…Verify code in Tabular:**
  • M80 Osteoporosis with current pathological fracture
  • The appropriate 7th character is to be added to each code from category M80:
    – A initial encounter for fracture
    – D subsequent encounter for fracture with routine healing
    – G subsequent encounter for fracture with delayed healing
    – K subsequent encounter for fracture with nonunion
    – P subsequent encounter for fracture with malunion
    – S sequela
  • M80.08 Age-related osteoporosis with current pathological fracture, vertebra(e)
  • Report code M80.08xA because code is only 5 characters long and it requires a 7th character, so the placeholder “x” is needed in 6th character position.
Risks & Challenges

Now is the time for your Diagnostic Radiology practice to implement clinical documentation improvements found during compliance audits.

In addition, it’s the time to ensure you are getting good strong clinical information from other areas of the hospital, such as the Emergency Room.

- More detailed medical records
- More time to translate/interpret by coders
- Increase provider queries by coders
- Increased delays in authorizations
- Increased claim rejections
- More time to research/resolve reimbursement issues
- Increase queries for documentation by facilities
- Same notes used in facility and office
Pathology
Risks & Challenges

There are a wide range of diagnoses that cause referring physicians to order laboratory tests.

How well you document specificity for ICD-10-CM will determine whether or not you get paid.

Capturing new information about the patient’s condition and more detailed diagnosis information from referring physician orders will be a particular challenge as it is for the radiologist.
Example: Carcinoma In Situ Of Breast

- **ICD-9-CM:** 2330 – Carcinoma in situ of breast
- **ICD-10-CM:** D05: Carcinoma in situ of breast (This is not a billable ICD-10-CM code and cannot be used to indicate a diagnosis. It is only used as the title heading for Carcinoma in situ of the breast).
- Overall, there are 16 possible codes, including the following examples:
  - D05.0 – Lobular carcinoma in situ of breast
  - D05.00 – Lobular carcinoma in situ of unspecified breast
  - D05.01 – Lobular carcinoma in situ of right breast
  - D05.02 – Lobular carcinoma in situ of left breast
  - D05.1 – Intraductal carcinoma in situ of breast
  - D05.10 – Intraductal carcinoma in situ of unspecified breast
  - D05.11 – Intraductal carcinoma in situ of right breast
  - D05.12 – Intraductal carcinoma in situ of left breast
ICD-10-CM Laterality Examples

• Laterality

– C50.511 Malignant neoplasm of lower-outer quadrant of right female breast
– C50.512 Malignant neoplasm of lower-outer quadrant of left female breast
– C50.519 Malignant neoplasm of lower-outer quadrant of unspecified female breast
Case Example

PROCEDURE: Colon incomplete, Colonoscopy with polypectomy by hot biopsy technique

INDICATIONS: Screening, probably diverticulosis

MEDICATIONS: MAC per Anesthesia

DESCRIPTION OF PROCEDURE: After the risks, benefits, and alternatives of the procedure were thoroughly explained, informed consent was obtained. Digital rectal exam was performed and revealed no abnormalities. The endoscope was introduced through the anus and advanced to the mid transverse colon. The quality of the prep was inadequate, and I was unable to advance beyond mid-transverse colon due to significant amount of retained stools. The instrument was then slowly withdrawn.

COMPLICATIONS: None

IMPRESSION: 1) Unable to pass beyond transverse colon 2) Diffuse diverticulosis in descending and sigmoid colon 3) four polyps in rectum removed with hot biopsy.

PATHOLOGY: Pending results
Case Example, Con’t

• **ICD-10-CM Codes:**
  Z13.811 Encounter for screening for lower gastrointestinal disorder
  K62.1 Rectal polyp
  K57.30 Diverticulosis of large intestine without perforation or abscess without bleeding

• **Rationale:** In ICD-10-CM, documentation of codes for screenings must include any abnormal findings which, if found, would be listed secondarily to the screening code.
  – Screening codes in ICD-10-CM can be broken down by the condition, procedure, or anatomic location depending on the type of screening.
The Alphabetic Index and Tabular List

• The ICD-10-CM is divided into the Alphabetic Index, an alphabetical list of terms and their corresponding code, and the Tabular List, is a **structured** list of codes divided into chapters based on body system or condition.

• The Alphabetic Index consists of the following parts: the Index of Diseases and Injury, the Index of External Causes of Injury, the Table of Neoplasms and the Table of Drugs and Chemicals
Common Case Examples For Pathology

- Colon Polyp
- Clinical: Colon cancer screening
- Final Diagnosis:
- Transverse colon polyp, excision;
- Tubular adenoma, no evidence of high grade dysplasia
- Process: Index Adenoma, tubular - “see Neoplasm, benign by site”.
- Index Neoplasm table, see Intestine, large, colon, transverse, benign
- ICD10-CM diagnosis code: D12.3 Benign neoplasm of transverse colon
Common Case Examples For Pathology

• **Colon Polyp**

• Clinical: Colon cancer screening

• Final Diagnosis: Colon Polyp, excision:

• Benign colonic mucosa showing changes consistent with hyperplastic polyp

• Process: Index Polyp, colon

• ICD10-CM diagnosis code: K63.5 Polyp of colon
Neoplasms

• To properly code neoplasms, the documentation in the medical record must indicate if the neoplasm is benign, in situ, malignant, or of uncertain histologic behavior.

• If there is a malignancy, the secondary (metastatic) site should also be reported.

• As in ICD-9-CM there is a separate “Table of Neoplasms” and the codes are selected from the table.
  – ICD-10-CM guidelines add: “If the histology (cell type) of the neoplasm is documented, that term should be referenced first, in the main section of the Index to Diseases, rather than going immediately to the Neoplasm Table, in order to determine which column in the Neoplasm Table is appropriate.”
Changes

• Neoplasm Table
  – “in situ” neoplasms in their own category, not with malignant

• Code Descriptions
  – “without mention of remission” for multiple myeloma, malignant plasma cell neoplasms and leukemia changed and expanded to “not having achieved remission,” “in remission,” and “in relapse.”

• Neoplasms of breast – right or left
Chapter 2: Neoplasms: C00-D49

- C00-C14 Malignant neoplasms of lip, oral cavity and pharynx
- C15-C26 Malignant neoplasms of digestive organs
- C30-C39 Malignant neoplasms of respiratory and intrathoracic organs
- C40-C41 Malignant neoplasms of bone and articular cartilage
- C43-C44 Malignant neoplasms of skin
- C45-C49 Malignant neoplasms of mesothelial and soft tissue
- C50 Malignant neoplasms of breast
- C51-C58 Malignant neoplasms of female genital organs
- C60-C63 Malignant neoplasms of male genital organs
- C64-C68 Malignant neoplasms of urinary tract
- C69-C72 Malignant neoplasms of eye, brain and other parts of central nervous system
- C73-C75 Malignant neoplasms of thyroid and other endocrine glands…continued….
Chapter 2: Neoplasms: C00-D49…continued

• C7a Malignant neuroendocrine tumors
• C7b Secondary neuroendocrine tumors
• C76-C80 Malignant neoplasms of ill-defined, other secondary and unspecified sites
• C81-C96 Malignant neoplasms of lymphoid, hematopoietic and related tissue
• D00-D09 In situ neoplasms
• D10-D36 Benign neoplasms, except benign neuroendocrine tumors
• D3a Benign neuroendocrine tumors
• D37-D48 Neoplasms of uncertain behavior, polycythemia vera and myelodysplastic syndromes
• D49 Neoplasms of unspecified behavior
Example: Female Patient With Adenocarcinoma Of The Right Breast, Lower Outer Quadrant Of The Left Side

• The physician’s documentation indicates it as the primary site.
• The Index to Diseases should be reviewed prior to referencing the Neoplasm Table.
• The first step is to reference the Index to Diseases.
• Adenocarcinoma (M8140/3)—see also Neoplasm, malignant
• The Index to Diseases identifies adenocarcinoma as a malignancy reported by site. The coder will reference the Neoplasm Table for selection of the correct code.
The Neoplasm Table

- Provides proper coding based on the histology of the neoplasm by site. The Tabular List should be referenced to verify that the correct code has been selected and a more specific code does not exist.

- Review the Tabular List Example:

  C50.50 Malignant neoplasm of lower-outer quadrant of female breast, unspecified side

  C50.51 Malignant neoplasm of lower-outer quadrant of right female breast

  C50.52 Malignant neoplasm of lower-outer quadrant of left female breast

- The correct diagnosis code for this example is C50.52, Adenocarcinoma of the left side, lower outer quadrant, malignant, primary site.
Pathology Reports

• The guidelines for ICD-10-CM indicate that a confirmed malignancy diagnosis is not reported without a pathology report on the record to confirm the histologic type of neoplasm.

• If the pathology report is not in the medical record, the attending physician must confirm the diagnosis in the medical record documentation.

• The pathology report is not required for encounters such as chemotherapy or radiation therapy.
Clinical Laboratories
Labs continue to be completely dependent on ordering physicians to provide accurate diagnosis codes on test orders—a unique but not new dilemma.

Claims for lab tests must contain valid and specific diagnosis codes that explain the reason the tests were performed.

“Labs already spend a tremendous amount of time working with physicians on the use of ICD-9-CM codes for limited coverage tests, and to this day still have a fairly high percentage of diagnoses that are not coded at the highest level of specificity.” (AACC – American Association for Clinical Chemistry)
Additional Case Examples
Common ICD-10-CM Case Example

Primary Care Preventive Diagnosis

A 22 year old female girl is seen for Preventative Visit. She is doing well and has no complaints. She will have her normal immunizations and return as needed until her next scheduled preventive service.

- Process: Index, examination, adult

- Diagnosis code: Z00.00 Encounter for routine adult health examination without abnormal findings
**Common ICD-10-CM Case Example**

**Depression**

• Forget about the go to the catch all: 311

• At a minimum you need to identify if it is a single episode or recurrent.
  – F32.x or F33.x

• Then there are choices:
  • is your depression mild, moderate, or severe?
    – with psychotic features or without?
    – Or is your depression in remission?
Reminders and Tips
Additional Reminders

Per the 837 Rule you can bill 4 diagnosis codes per procedure (line item).

Non-specific codes are still available for use when medical record documentation does not support a more specific code.
Educational Tips for Coders

- Evaluate your current encounter form for common diagnoses used most frequently in your practice;
- Find resources that are specific to your specialty;
- Check with your specialty societies for specific resources relating to ICD-10-CM;
- Learn about cross-walks from ICD-9-CM to ICD-10-CM;
- Learn about cross-walks from ICD-10-CM back to ICD-9-CM;
- Review class on anatomy for your specific area of specialty.
Education for Providers

- Continue to work closely with providers regarding the changes from ICD-9-CM to ICD-10-CM.
- Continue to monitor documentation in the medical records for medical necessity.
- Evaluate the use of your EHR for documentation specific changes that will need to be made from ICD-9-CM to ICD-10-CM.
- Work closely with your coders to help make a smooth transition to ICD-10-CM documentation requirements.