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ICD-10 is NOW

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After long delays and several false starts, ICD-10 finally goes into effect on October 1, 2015.

How will the transition effect medical providers?

For medical service providers the immediate impact is substantial. Medicare and major health insurance companies will no longer accept ICD-9 codes to substantiate charges and claims may not contain both ICD-9 and ICD-10 codes. Based on initial reports, there may be leniency in the first year. Some claims will be allowed with minor ICD-10 errors, as long as the code used is in the correct family.

All the Certified Professional Coders (CPCs) in the U.S. have been bombarded with ICD-10 information for the past few years. I don't expect the major issues to come from that camp, the biggest issues will be from:

- **Providers who do not employ CPCs in their practice**
- **Practitioners who don't document treatment in enough detail to support ICD-10**



The first bullet above is fairly obvious. Small practices of one, two or three providers are usually the ones that don't have a CPC on staff. For most specialists, the number of diagnoses they have to deal with is limited, which makes the transition manageable, even without a professional coder. The most difficult transition is likely to be for general practice and internal medicine physicians who deal with a very wide range of disease processes. In those cases, some help from a CPC during the transition is almost essential.

If you are a provider and in find yourself not quite prepared this late in the game, my recommendation is to reach out to your local AAPC (American Association of Professional Coders) Chapter for assistance and guidance.

The second bullet above is less obvious, but has very broad implications. The most significant difference between ICD-9 and ICD-10 is the amount of detail included in each diagnosis.

For example:

ICD-10 Code

S52.521A – Torus fracture of lower end of right radius, initial encounter for closed fracture

Corresponding ICD-9 Code

813.45 – Torus fracture of radius (alone)

As you can see, the following additional information is needed to code this injury in ICD-10:

- Lower end
- Right radius
- Initial encounter
- Closed fracture

If the chart notes do not include the level of specificity called for by ICD-10, even the best educated CPC will not be able to code the injury correctly. Educating all the providers to include sufficient detail in the chart notes is the most far reaching task involved in the transition.

What about the effect in property and casualty insurance companies?

Unlike health insurers who are focused almost entirely on medical bills, property and casualty companies deal with all sorts of claims. Although the losses due to medical claims are higher now than any other category, historically the P&C insurers have not focused a larger portion of their effort and training on medical bills. As a result, they are probably less prepared than the health insurance companies. There are some things that might mitigate the lack of preparation:

- You don't have to deny claims that have diagnoses coded incorrectly



- Many diagnosis codes included with personal injury claims are nonsense anyway, whether coded in ICD-9 or ICD-10
- The issues of medical abuse and fraud in personal injury are more serious and pervasive than incorrect diagnosis codes

One issue that could hamper normal business operations in the early days of ICD-10 is if your legacy software systems accept ICD codes only as numerical values rather than alpha numeric strings.

Other than that, just make sure your bill review companies and software providers are ready to deal with the new codes.

Come See Us at IASIU

Tami Rockholt, RN, BSN

Mike and I will be doing an interactive presentation on the ICD-10 topic Tuesday, September 15 at 1:15PM. In the presentation you will see some of the “nonsense” diagnosis codes that show up in personal injury claims. If you would like a copy of the presentation, please send me an email tami.rockholt@inform-software.com after September 15.

You can come see us then or drop by the INFORM booth #211 at any time. We look forward to seeing all our fraud-fighting friends and colleagues.