Head Start to Implementation: Preparing Now for ICD-10 (Focus on PCS)

Sustaining **Clinical** and **Financial Performance**

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Head Start to Implementation: Preparing Now for ICD-10

- *Reasons for change*

- *Basic structure of ICD-10-CM and ICD-10-PCS*

- *Differences between ICD-9 and ICD-10*

- *Preparing for implementation and change*

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Reasons to Switch to ICD-10

ICD-9-CM …

- *has been used in the U.S. since 1979*

- *cannot keep up with medical technology*

- *does not allow new codes to be added as needed*

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ICD code set: 1001 uses

- *Set healthcare policy*

- *Determine reimbursement*

- *Conduct research and clinical trials*

- *Measure quality of health care*

- *Evaluate health care providers*

- *Provide treatment options*

- *Track and manage health risk and disease process*

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ICD-10-CM Development

- **With consideration of other code sets:**
  - *DSM-IV*
  - *NANDA (nursing classification)*
  - *ICD-O-2*

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ICD-10-CM: Major Changes

- *Alphanumeric codes*

- *Addition of a 6th digit classification with a seventh digit extension*

- *Combination diagnosis/symptom codes*

- *Expanded injury codes, grouped according to site rather than type of injury*

- *Laterality*

- *V and E codes incorporated into the main classification*

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ICD-10-CM: Major Changes

- *Obstetric codes identify trimester*

- *Separate categories for Type I and Type II diabetes*

- *Addition of ambulatory and managed care encounter information*

- *Postoperative complications codes expanded and located within the individual chapters*

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ICD Structure: Overview

- ICD-9-CM

  - *Numeric*

  - *17 chapters*

  - *V codes and E codes additional*

- ICD-10-CM

  - *Alphanumeric and includes all letters except "U"*

  - *21 chapters*

  - *V-codes and E-codes in main classification*

    E => V, W, X, Y

    V => Z

ICD Structure: Overview

- Retained some ICD-9 modifications
  - *Combination codes*
    - *A02.21 Salmonella meningitis*
    - *A02.22 Salmonella pneumonia*

- Removed some ICD-9 modifications
  - *No 5th digit for episode of care*
    - *I21 Acute myocardial infarction*
    - *I22 Subsequent acute myocardial infarction*

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ICD-10-CM Structure: Codes

Valid codes can be 3, 4, 5, 6 or 7 characters

- *K23 Disorders of esophagus in diseases classified elsewhere*

- *K44.1 Diaphragmatic hernia with gangrene*

- *K29.01 Acute gastritis with bleeding*

- *K50.114 Crohn's disease of lg. intestine with abscess*

- *S20.112a Abrasion of breast, left breast, initial encounter*

Source: 3M Health Information Systems

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ICD-10-CM Structure :Codes

A00-**B**99	Infectious/Parasitic Disease
C00-**D**48	Neoplasms
G00-**G**99	Nervous System
H00-**H**95	Sense Organs
I00-**I**99	Circulatory System
O00-**O**99	Pregnancy/Childbirth

- *First character always a letter*
- *Second and third characters always numbers*
- *Fourth and fifth characters either numbers or letters*
- *In some cases, fifth character uses lowercase "x" as place holder :* **T38.1x5**

Source: 3M Health Information Systems

ICD-10-CM Example: Injury Seventh Character Extensions

- Expansion of injury codes
  - *S00.4**11** Abrasion of ear, right ear*

5th digit defines type of injury
6th digit defines laterality

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ICD-10-CM Example:
Combination codes

- ## Combination codes for diagnosis and symptom

  - *I25.12 Atherosclerotic heart disease with unstable angina*

  - *N41.01 Acute prostatitis with hematuria*

  - *K71.51 Toxic liver disease with chronic active hepatitis with ascites*

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ICD-10-CM Example: Obstetrics

ICD-10-CM

O15.03 Eclampsia in pregnancy, third trimester:

O15 = Eclampsia

.0 = in pregnancy

3 = third trimester

ICD-10 (WHO version)

O15.0 *Eclampsia in pregnancy*

ICD-10-CM Example:
Diabetes

E11.621 Type 2 diabetes mellitus with foot ulcer

E11 = Type 2 diabetes mellitus

.6 = with other specified complications

2 = skin complications

1 = foot ulcer

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ICD-10-CM:
Field Testing Project

National Committee on Vital and Health Statistics (NCVHS) called for ICD-10-CM coding study

by Health and Human Services (HHS)

- Conducted June-August 2003

- 6,177 medical records coded

- ICD-10-CM seen as improvement

- Sixteen hours or less of training needed

- No time difference in coding

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Development of ICD-10-PCS
PCS – Procedure Coding System

- Replacement for ICD-9-CM, procedures

- 1998 – first version released by CMS

- Annual updates since that time

- Not in use at this time

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I-10 PCS:
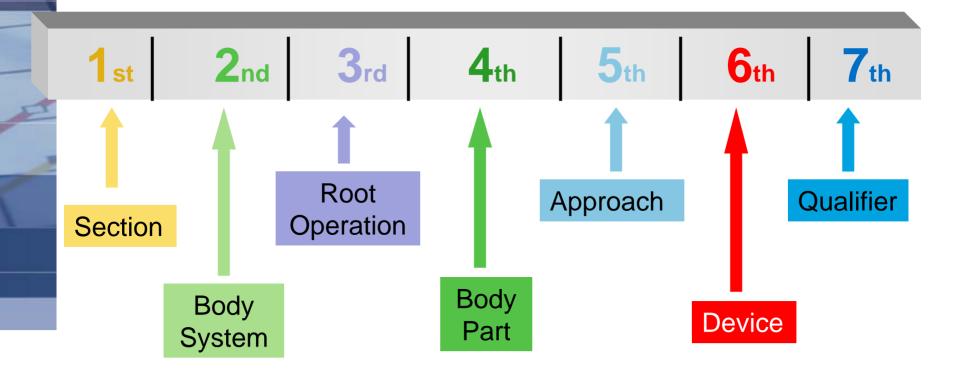# Essential Characteristics

Seven Character Alphanumeric Code

- *Digits 0 - 9*

- *Letters A-H, J-N, P-Z*

Source: 3M Health Information Systems

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I-10 PCS:
Essential Characteristics

- *Completeness: unique code for every distinct procedure*

- *Expandability: easily adapts to changes in technology and clinical practice*

- *Standardized terminology: terms have a single precise meaning*

- *Multiaxial: fixed order, each character functions independently*

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PCS Character Assignment:
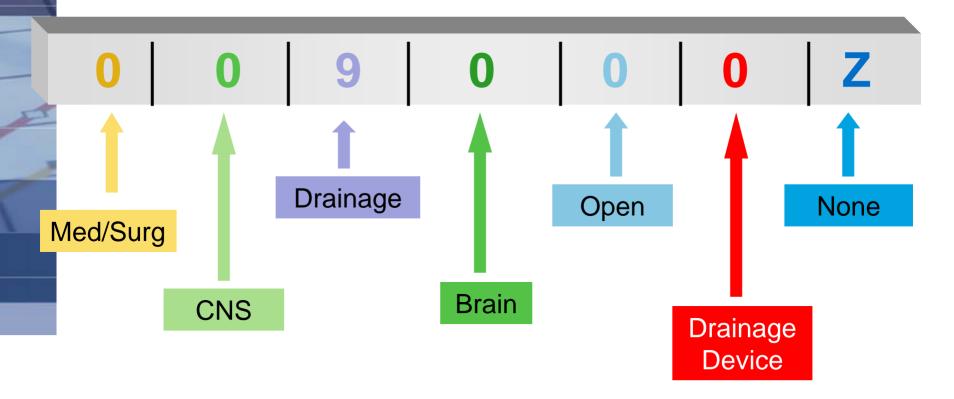## Medical and Surgical Procedures

1st	2nd	3rd	4th	5th	6th	7th

Section

Root Operation

Approach

Qualifier

Body System

Body Part

Device

Source: 3M Health Information Systems

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PCS Codes:
Each Code Tells a Story

| 0 | 0 | 9 | 0 | 0 | 0 | Z |

Med/Surg

CNS

Drainage

Brain

Open

Drainage Device

None

Source: 3M Health Information Systems

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Section (1st character)

1st	**2**nd	**3**rd	**4**th	**5**th	**6**th	**7**th

0 *Medical and Surgical*
1 *Obstetrics*
2 *Placement*
3 *Administration*
4 *Measurement and Monitoring*
5 *Imaging*
6 *Nuclear Medicine*
7 *Radiation Oncology*
8 *Osteopathic*

9 *Physical Rehabilitation and Diagnostic Audiology*
B *Extracorporeal Assistance and Performance*
C *Extracorporeal Therapies*
D *Laboratory*
F *Mental Health*
G *Chiropractic*
H *Miscellaneous*
J *Substance Abuse Treatment*

Body System (2nd character)

1st   **2**nd   **3**rd   **4**th   **5**th   **6**th   **7**th

- Identifies general area of procedure
    Examples:
    1 Peripheral Nervous System
    2 Heart and Great Vessels
    B Respiratory System
    C Mouth and Throat
    D Gastrointestinal System

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Root Operation (3rd character)

1st   **2**nd   **3**rd   **4**th   **5**th   **6**th   **7**th

- Identifies essential surgical action performed

  Examples in Medical/Surgical:

  0 Alteration   *4 Creation*

  1 Bypass   *5 Destruction*

  2 Change   *6 Detachment*

  3 Control   *7 Dilation*

Body Part (4th character)

1st **2**nd **3**rd **4**th **5**th **6**th **7**th

- Describes specific body part on which the procedure was performed
  - *Body parts include lesions, polyps, etc. found in/on the body part*
- Example: body system D, Gastrointestinal

  0 Esophagus   B Ileum

  1 Esophagus, Upper J Appendix

  5 Upper Intestine   W Peritoneum

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Approach (5th character)

1st   **2**nd   **3**rd   **4**th   **5**th   **6**th   **7**th

- Indicates the method used to reach the body part

- 13 different approaches made up of three basic types, plus the external approach:

  - *Open => Open intraluminal*

  - *Percutaneous=> Percutaneous intraluminal*

  - *Transorifice=> Transorifice intraluminal*

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Device (6th character)

1st   **2**nd   **3**rd   **4**th   **5**th   **6**th   **7**th

- Describes a device placed during the procedure

- Applies only to devices that remain after the procedure is completed

  - *Grafts and prostheses (skin graft, joint prosthesis)*

  - *Implants (IUD, brachytherapy seeds)*

  - *Simple/Mechanical Appliances (tracheostomy tube, VAD)*

  - *Electronic Appliances (pacemakers, infusion pumps)*

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Qualifier (7th character)

1st   2nd   3rd   4th   5th   6th   7th

- Unique meaning for different root operations

Examples:

  - *Genetic compatibility of transplant*

  - *Biopsy (diagnostic excision)*

  - *Destination site for a bypass*

  - *Original procedure being revised*

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Number of PCS codes by section= 86,617

- Medical and Surgical   77,242
- Obstetrics   331
- Placement   864
- Administration   1,401
- Measurement and Monitoring   290
- Extracorporeal Assistance and
- Performance   26
- Extracorporeal Therapies   34
- Osteopathic   100
- Other Procedures   21
- Chiropractic   90
- Imaging   2,466
- Nuclear Medicine   458
- Radiation Oncology   1,823
- Rehabilitation and Diagnostic
- Audiology   1,382
- Mental Health   30
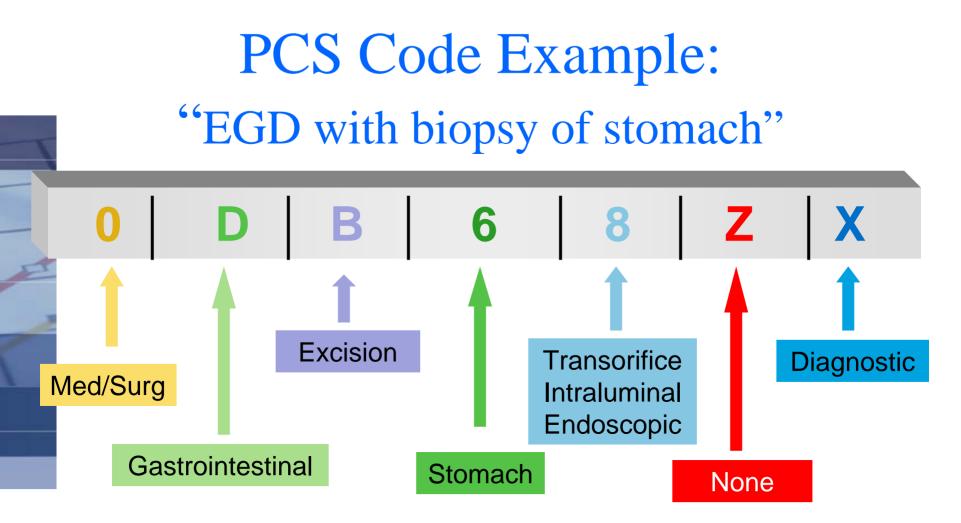- Substance Abuse Treatment   59

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I-10-PCS Book Format

- *Matrix and index*

- *Index provides first three or four characters*

- *Matrix must be used to build valid code*

- *No eponyms are included*

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0: Medical and Surgical Section
D Gastrointestinal System
B: EXCISION: Cutting out or off, without replacement, a portion of a body part.

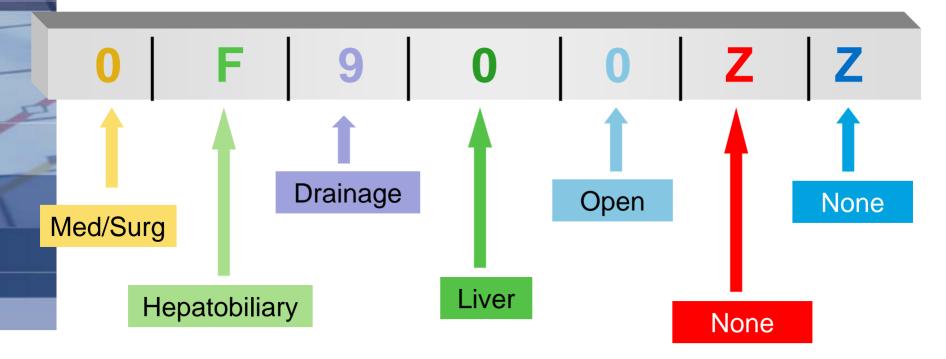|			
1 Esophagus, upper 2 Esophagus, middle 3 Esophagus, lower 4 Esophagogastric junction 6 Stomach 7 Stomach, pylorus 9 Duodenum A Jejunum B Ileum C Ileocecal valve H Cecum J Appendix K Ascending Colon L Transverse Colon M Descending Colon N Sigmoid Colon P Rectum	0 Open 1 Open Intraluminal 2 Open Intraluminal Endoscopic 3 Percutaneous 4 Percutaneous Endoscopic 5 Percutaneous Intraluminal 6 Percutaneous Intraluminal Endoscopic 7 Transorifice Intraluminal 8 Transorifice Intraluminal Endoscopic	Z None	X Diagnostic Z None
Q Anus	0 Open 1 Open Intraluminal 2 Open Intraluminal Endoscopic 3 Percutaneous 4 Percutaneous Endoscopic 5 Percutaneous Intraluminal 6 Percutaneous Intraluminal Endoscopic 7 Transorifice Intraluminal 8 Transorifice Intraluminal Endoscopic Z None	Z None	X Diagnostic Z None
R Anal Sphincter S Greater Omentum T Lesser Omentum V Mesentery W Peritoneum	0 Open 3 Percutaneous 4 Percutaneous Endoscopic	Z None	X Diagnostic Z None

PCS Code Example:

"EGD with biopsy of stomach"

| 0 | D | B | 6 | 8 | Z | X |

- **0** — Med/Surg
- **D** — Gastrointestinal
- **B** — Excision
- **6** — Stomach
- **8** — Transorifice Intraluminal Endoscopic
- **Z** — None
- **X** — Diagnostic

Source: 3M Health Information Systems

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PCS Code Example:

"Drainage of liver, open"

| 0 | F | 9 | 0 | 0 | Z | Z |

- Med/Surg (0)
- Hepatobiliary (F)
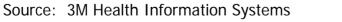- Drainage (9)
- Liver (0)
- Open (0)
- None (Z)
- None (Z)

Source: 3M Health Information Systems

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I-9-CM to I-10-PCS:
"Excisional debridement of skin"

ICD-9-CM	ICD-10-PCS	Description
86.22	0HB**J**ZZZ	Excision, skin right upper leg
86.22	0HB**L**ZZZ	Excision, skin right lower leg
86.22	0HB**9**ZZZ	Excision, skin buttock
86.2	0HB**P**ZZ	Excision, skin left foot

Source: 3M Health Information Systems

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ICD-10: Implementation Issues

- *Codes are the language of healthcare*

- *When the code set changes it will affect all healthcare providers and payers*

Areas of impact:

- *Health Information Management (HIM)*

- *Patient Financial Services (PFS)*

- *Information Services (IS)*

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HIM: Implementation Issues

- Evaluate education needs:
  - *Expertise in medical terminology*
  - *Detailed knowledge of anatomy*
  - *Better comprehension of operative reports*
  - *Increased collaboration with medical staff*
  - *Comprehension, interpretation and application of ICD-10-PCS definitions*

Source: 3M Health Information Systems

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HIM: Implementation Issues

- Consider alternative ways to increase the capabilities of coding staff

  - *Begin a mentor program ("train the trainer")*
  - *Cross train (assign leadership)*
  - *Monthly education sessions (tracking, Q&A)*

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HIM: Implementation Issues

- Clinical Impact

  - *Physician Documentation*

    - *Is the key to appropriate coding*

    - *Has been a problem since 1900s*

    - *Will need to meet expanded requirements*

HIM: Implementation Issues

- Single most important step to take in determining weakness:

  - *Gap analysis of current documentation and coding practices*

- Audit for weaknesses in:

  - *Coder knowledge of anatomy and surgical procedures*
  - *Physician documentation*

Source: 3M Health Information Systems

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Pay For Service: Implementation Issues

- Budgetary Impact
  - *Hospital Finance*
    - *Inventory all reports containing procedure DRG information*
    - *Determine source of reports*

  - *Clinical Impact*
    - *Reports should be inventoried*

    By department , By user, By content

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Information Systems: Implementation Issues

- Retention of both ICD-9-CM and ICD-10 codes are based on the facility's needs for

    - *Research data*

    - *Trending of clinical data and comprehensive clinical studies*

    - *Case-mix analysis*

    - *Financial information connected with DRGs*

Source: 3M Health Information Systems

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ICD-10 Preparation

- Educate affected personnel
  - *HIM, Clinicians, Management, other departments*
- Vendor preparation
- Contract renewals
- Communicate with regulatory agencies and payers
- Plan for transition
  - *Teams, staffing, training, going live*

Source: 3M Health Information Systems

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ICD-10 Preparation

- Task Force members should include, but not be limited to:
  - *Health Information Management*
  - *Patient Financial Services*
  - *Information Services*
  - *Medical Staff Affairs*
  - *Physician liaisons*
  - *Quality Management*
  - *Hospital Finance*

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ICD-10-CM resources

- Access ICD-10-CM on the NCHS website:

http://www.cdc.gov/nchs/icd/icd10cm.htm#09update

- ICD-9-CM Coordination and Maintenance Meeting

http://cms.hhs.gov/paymentsystems/icd9/

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ICD-10-PCS resources

- Access ICD-10-PCS on the CMS website:

  http://www.cms.gov/paymentsystems/icd9/icd10.asp

- 3M http://www.3m.com/us/healthcare/his/ICD-10.jhtml

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Thank you!

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ICD-10CM Resources

Questions/Comments?

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