Introduction to ICD-10: A Guide for Providers

Centers for Medicare & Medicaid Services
This guide is intended to provide health care professionals with an overview of ICD-10. Hyperlinks to the CMS website are included in the guide to direct you to more information and resources.
What is ICD-10?
**What is ICD-10?**

In 1990, the World Health Organization (WHO) approved the 10th Revision of the International Classification of Diseases (ICD), known as ICD-10.

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| • A method of coding:  
  » The patient’s state of health and  
  » Institutional procedures  
• In the U.S., ICD-10 includes:  
  » ICD-10-CM: clinical modification of WHO standard for diagnoses that is maintained by NCHS and is for specific use in the U.S.  
  » ICD-10-PCS: inpatient procedures developed and maintained by CMS | • ICD-10-CM and PCS are complete revisions of their U.S. developed ICD-9 counterparts, which were adopted in 1979  
  » More information per code  
  » Better support for care management, quality measurement, and analytics  
  » Improved ability to understand risk and severity | • Compliance Date: 10/1/15  
  » Outpatient services are based on the Date of Service  
  » Inpatient services are based on the Date of Discharge |

**Who**

• All HIPAA-covered entities must use ICD-10
Why ICD-10 Matters
Why ICD-10 Matters

ICD-10 replaces the ICD-9 code sets and includes updated medical terminology and classification of diseases

**ICD-10 CM/PCS consists of two parts:**
- ICD-10-CM for diagnosis coding in all health care settings
- ICD-10-PCS for inpatient procedure coding in hospital settings

CPT coding for outpatient and office procedures is not affected by the ICD-10 transition
ICD-10-CM replaces ICD-9-CM for diagnosis coding:

- ICD-9-CM diagnosis codes = 3 to 5 digits
- ICD-10-CM codes = 3 to 7 digits
- Overall format of ICD-10 diagnosis codes similar to ICD-9
Why ICD-10 Matters

**ICD-10-PCS replaces ICD-9-CM for inpatient procedure coding:**

- ICD-9-CM procedure codes = 3 to 4 numeric digits
- ICD-10-PCS codes = 7 alphanumeric digits
- ICD-10-PCS code format substantially different from ICD-9
- Unlike ICD-9, ICD-10 expands details for many conditions
Why Transition to ICD-10
Why Transition to ICD-10

Better reflects current medical practice

Captures more specific data from clinical documentation than ICD-9

• ICD-10-CM: For fractures, for example, captures left vs. right side of body, initial vs. subsequent encounter, routine vs. delayed healing, and nonunion vs. malunion
• ICD-10-PCS: Provides detailed information on procedures and distinct codes for all types of devices
Why Transition to ICD-10

Detail captured by ICD-10 can:
• Facilitate patient care coordination across settings
• Improve public health reporting and tracking

ICD-10 structure accommodates new codes
• ICD-9 is running out of capacity and cannot continue to accommodate addition of codes to reflect new diagnoses and procedures
Getting Ready for ICD-10
By October 1, 2015, your practice must start using ICD-10 codes for services provided on or after October 1, 2015
Monitor your progress against your ICD-10 project plan, which should identify:

- Each task to be completed
- When tasks should begin and end
- Who is responsible for each task
Check that your ICD-10 project plan:

- Ensures senior leadership understands breadth and significance of ICD-10 change
- Assigns overall responsibility and decision-making authority for managing the transition
- Includes a comprehensive, realistic budget
- Ensures involvement of all stakeholders, ranging from physicians to clearinghouses and software vendors
Getting Ready for ICD-10:  

Check Your Plan

Check that your ICD-10 project plan also covers:

• Software/hardware testing
• Staff training and sharing best practices
• Updating internal policies to support the transition
• Adhering to a well-defined timeline
Essential tasks to cover in project plan:

- Identify commonly used ICD-9 codes and explore related ICD-10 codes
- Identify paper and electronic forms to accommodate the ICD-10 code structure
- Schedule ICD-10 training for clinicians, office managers, billers, coders, and other key staff
Getting Ready for ICD-10:

Analyze How You Use Codes

Identify how ICD-10 will affect your practice, specifically use of codes for:

• Billing and submitting claims
• Other functions, like eligibility queries, registration, and referrals
Getting Ready for ICD-10:

Questions for Your Analysis

Questions to inform your analysis:

• **Will I be able to submit claims?**
  • You will need a billing system that is compliant with HIPAA Version 5010 transaction standards
  • Verify that your existing billing system can submit and receive ICD-10 codes

• **How does ICD-10 work with my EHR systems?**
  • Verify whether your EHR captures ICD-10 codes as needed for billing purposes
Getting Ready for ICD-10:

Questions for Your Analysis

How do I become familiar with ICD-10 codes?

• Obtain ICD-10 code books if you use ICD-9 books for code look-up
• Compare ICD-9 codes commonly used in your office to corresponding ICD-10 codes
• Check your software for an ICD-10 look up function
• Acquire ICD-10 code training
• Obtain new ICD-10 forms if you use ICD-9 forms today
Consider opportunities to make coding more efficient:

- List your most commonly used ICD-9 codes and look at the ICD-10 codes you will use in their place
- Then think about how front-office staff can help capture new information required under ICD-10 (e.g., trimester of pregnancy for obstetric coding)
Getting Ready for ICD-10: Changes to Your Practice

Identify changes you might need to make

Look at:

- Business processes
- Clinical documentation
- Practice management and clinical software
- Readiness of your vendors (e.g., practice management, billing, and clearinghouse products and services)
Getting Ready for ICD-10:

**Business Processes**

**Business processes to consider include:**
- Referrals
- Authorization/precertification
- Patient registration and scheduling
- Physician orders
- Contracts with payers, clearinghouses, and other business partners
- Financial operations
- Public health reporting
Clinical documentation of key medical concepts is essential to selecting specific ICD-10 codes.

As part of patient care, clinicians already document most concepts needed for ICD-10 coding.
Getting Ready for ICD-10:

**Documentation**

**Does your practice’s documentation capture necessary detail?**

- Use documentation from recent patient encounters to try selecting ICD-10 codes
- Note any changes needed to documentation for ICD-10 coding
Getting Ready for ICD-10:

Communication

Confirm ICD-10 plans and readiness of your:

**VENDORS**
- Software/systems
- Clearinghouses
- Billing services

**PAYERS**
Getting Ready for ICD-10:

**Talk with Payers**

- Ask payers if they are revising contracts or policies based on ICD-10; if so, negotiate new contracts
- Ask about testing plans
Getting Ready for ICD-10:

Talk with Clearinghouses and Billing Services

If you work with a clearinghouse or billing service, check on their ICD-10 preparation and readiness

Figure out how you can work together so your claims can be processed using ICD-10

• Note: Clearinghouses cannot help identify which ICD-10 codes to use unless they offer coding services
Talk with Software/Systems Vendors

Talk to your EHR and/or practice management system vendors to see when they plan to upgrade your system for ICD-10.

Vendors will need to have products ready as soon as possible so you can test them; if they don’t, you may need to find a new vendor who has ICD-10-ready products.
Getting Ready for ICD-10:

Vendor Evaluation

- Identify your current vendors
- Contact vendors to confirm they are ICD-10-ready and how they will help you get ready
- Assess whether you want or need to develop new vendor relationships
- Evaluate your current vendor or new vendor by asking key questions
Getting Ready for ICD-10:

Key Vendor Questions

Ask your vendors:

• Will you install products well before the October 1, 2015, compliance date, so I can begin testing?
• Will you support my products after October 1, 2015?
• Will you update my products and applications for ICD-10?
• Will you keep my products updated? Will there be a charge?
• Will I need new hardware to accommodate ICD-10-related software changes?
More questions for your vendors:

• What costs are involved with maintaining new products?
• Will you offer product support for the transition? If so, for how long?
• How do I report issues and how quickly will you respond?
• Will you provide training on your software?
• Will you offer support during internal ICD-10 testing?
• Will you help me test my system with payers and other trading partners?
Once your system is ICD-10-ready, test it

- Try systems that send and receive codes to ensure they process ICD-10 codes correctly

- Test transactions that affect your practice most, such as:
  - Claims submission
  - Eligibility verification
  - Quality reporting
Look at processes for collecting and reporting diagnosis codes (e.g., superbills and patient encounter forms)

**Try handling processes with ICD-10:**
- If I had to select an ICD-10 code for the last patient, what would it be?
- If I had to prepare a claim with an ICD-10 code, how would I do that?
Getting Ready for ICD-10:

Testing

Test with payers and other business partners

• Work with your vendors and other business partners to develop a testing plan and schedule for ICD-10 transactions
• Test how well your systems work together to send and receive codes—focus on transactions that affect your practice most
Prepare and monitor for ICD-10’s potential impact on:

- Coding productivity
- Coding accuracy
- Reimbursement
- Vendor responsiveness
Sample steps to minimize ICD-10-related challenges:

• Eliminate coding backlogs before ICD-10 transition
• Prioritize medical records for coding
• Provide refresher training to address productivity and accuracy issues
• Develop a process for managing errors and resolving vendor issues
CMS ICD-10 Resources
Resources

CMS website:
www.cms.gov/icd10

- Features fact sheets, FAQs, and implementation guides, timelines, and checklists
CMS ICD-10 Email Updates provide timely information

To sign up for updates:
1. Go to cms.gov/icd10
2. Select “CMS ICD-10 Industry Email Updates” from left navigation bar
3. Click on “Sign up for update messages”
Fact sheets on ICD-10 for providers, payers, and vendors

- Available on the Provider, Payer, and Vendor Resources pages of the CMS ICD-10 website

WHAT IS ICD-10?

WHY ICD-10 MATTERS

WHY TRANSITION TO ICD-10

GETTING READY FOR ICD-10

CMS RESOURCES
ICD-10 Medscape Modules

- Expert Column: Preparing for ICD-10: Now Is the Time
- Video: ICD-10: Getting From Here to There
- Video: ICD-10 and Clinical Documentation

Free continuing medical education (CME) and continuing education (CE) credits available to physicians and nurses who complete a brief post-test. Accessible from CMS ICD-10 website: [www.cms.gov/icd10](http://www.cms.gov/icd10)
Road to 10 Tool: on Provider Resources page, cms.gov/ICD-10

The Road to 10 can help you:
• Understand the basics of ICD-10
• Build an ICD-10 action plan to map out your transition
• Answer frequently asked questions
Follow us on Twitter: @CMSgov

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Resources

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