ICD-10: A QUICK GUIDE FOR PHYSICIANS AND OFFICE MANAGERS

Is someone suffering from a sea lion bite? There’s a code for that: W5611XD. Did an individual experience an injury at the opera? Try code Y92253.

You’ll find these and more in ICD-10. However, it’s more than just a catch-all for the bizarre and wacky. ICD-10 contains more descriptive versions of commonly used codes – a significant improvement from ICD-9’s more outdated and inconsistent counterparts. ICD-10 contains over 69,000 codes, compared to ICD-9’s 14,000.

Although your practice may never need to know how to code a sea lion bite (apparently some medical professionals do), it’s still on the line for implementing ICD-10 by fall 2015. Read our full guide to learn how to successfully implement ICD-10, and most importantly, how it will benefit your practice and eventually make life easier.

Getting to Know ICD and ICD-10

Is your medical practice ready for ICD-10? The official deadline to switch from ICD-9 to the new standard is October 1, 2015. By that date, all entities covered by the Health Insurance Portability and Accountability Act (HIPAA) – including healthcare providers, health plans, and healthcare clearinghouses – must comply with ICD-10, or risk penalties and delayed claims payments.

The International Classification of Diseases, or ICD, is the global health information standard for tracking death and disease rates. More than 100 countries use ICD to report mortality data, and it also plays a role in research, clinical care, healthcare management, and resource allocation. “The ICD is the foundation for the identification of health trends and statistics globally. It allows the world to compare and share health information using a common language,” explains the World Health Organization, which endorsed ICD’s 10th edition, ICD-10, in 1990. (The next version, ICD-11, is slated for 2017.)

Simply put, ICD-10 is a set of codes for reporting health data. It has two parts: ICD-10-CM for diagnosis coding (for all U.S. healthcare settings) and ICD-10-PCS for inpatient procedure coding (for U.S. hospital settings). Together, they replace the ICD-9-CM code set (which covers both diagnoses and inpatient procedures). ICD-10 does not affect CPT coding for outpatient and office procedures.

Although the new standard better reflects current medical practices, the switch to ICD-10 has been highly contentious. The American Medical Association (AMA) and other physicians’ groups formally oppose it, concerned that many physicians in smaller practices are not ready. In June, less than four months before the implementation deadline, the AMA called for a two-year, penalty-free grace period for physicians, requesting that the Centers for Medicare & Medicaid Services (CMS) not withhold any claim payments in the event of coding errors, mistakes, or system malfunctions. Thus far, the delay has not been approved. The debate about ICD-10 implementation continues, but in the meantime, physicians should prepare for the transition.

Why Change?

It’s inevitable; ICD-9 is outdated. It struggles to meet the shifting demands of healthcare and accurately describe diagnosis as we continue to make advancements in technology. ICD-9 cannot support health IT and data exchange initiatives either – meaning there is an incompatibility with EHR/EMR and other cloud-based services where modern classification is of paramount importance. Furthermore, ICD-9 classifications are often inconsistent and vague. ICD-10 uses updated terminology, definitions, and classifications that are more in line with modern medical practice (for example, ICD-9 pre-dates CT scans and other procedures we commonly use today). Compared to ICD-9 codes, the new ICD-10 codes capture more information and provide improved support for care management, quality management, and analytics. They will also make it easier to understand risk and severity. These advancements in data collection will ultimately mean better clinical decisions and improved patient care and safety, as well as stronger documentation to support reimbursement. This equates to more accurate payments for new procedures and fewer rejected or fraudulent claims.
**What’s Different about the Code Format?**

While the overall code format isn’t changing, the new codes are longer: for ICD-10-CM, they are three to seven digits, instead of three to five digits; for ICD-10-PCS, they are seven alphanumeric digits instead of three or four digits. This allows room for new codes, too; ICD-9 (which the United States implemented in 1979) has almost run out of capacity. As we mentioned earlier, the total number of codes has also grown: ICD-9 has 14,000, and ICD-10 has 69,000. More than 40% of these new codes are for anatomical sites and left or right laterality – currently not covered by ICD-9.

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**Implications of ICD-10 for Solo Physicians and Small Groups**

With the October 1 deadline rapidly approaching, it’s important to start planning your practice’s transition to ICD-10. In its “ICD-10 Quick Start Guide,” CMS recommends five steps for small practices. Here’s a quick summary:

1. **Make a plan:** Access the ICD-10 codes (via print, online, or digital media), and decide if you want to use a clearinghouse in your transition. (A clearinghouse is a business or agency that processes health information for another entity.) Create a schedule. (To generate one tailored to your practice size, specialty, and current stage of readiness, use the CMS “Build Your Action Plan” feature.)

2. **Train your staff:** CMS and other organizations have numerous free resources (see “Additional ICD-10 Resources,” below). Review which ICD-9 codes your practice uses most, make a list of the ICD-10 versions, and start coding your current cases.

3. **Update your processes:** Update forms to reflect the new codes, e.g., laterality is new to ICD-10.

4. **Contact vendors and health plans:** Check that your third-party billing services, clearinghouses, and health plans are preparing for ICD-10 as well.

5. **Test your ICD-10 system:** Test your processes for claim generation, eligibility verification, scheduling, data submission, etc. Test systems with your vendors, billing services, and other partners. If necessary, determine a backup plan for submitting claims if your systems aren’t ready.

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**The Next Steps**

Despite the adjustments it requires, embracing ICD-10 will improve the quality of care you provide to your patients. We hope these five key steps will help your practice make a successful transition and avoid any delays in reimbursements.

As a small practice implementing ICD-10, you’re most likely pressed for time and resources. Want to take one more step to improve the profitability of your practice?

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**Additional ICD-10 Resources**

For more information, these additional ICD-10 resources can help your practice make a successful transition.

**World Health Organization (WHO)**

- International Classification of Diseases (ICD)
- ICD-10 Training Tool

**Department of Health and Human Services: Centers for Medicare & Medicaid Services**

- Road to 10: The Small Physician Practice’s Route to ICD-10 (videos, FAQs, training sessions, success stories, and specialty references for family practices, OB-GYNs, and more)
- ICD-10 Fact sheet: Basics for Small and Rural Practices
- ICD-10-CM/PCS Myths and Facts
- ICD-10 Changes from ICD-9
- ICD-10 Implementation Guide
- More provider resources (factsheets, videos, Medscape Education Resources, ICD-10 email and social media updates)

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