

## ICD-10 Payer Perspective Wellmark Blue Cross Blue Shield September 10, 2013

Wellmark Blue Cross Blue Shield, Iowa and South Dakota  
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### ICD-10 Fun

Z732 - Lack of relaxation and leisure



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### ICD-10 Mandate Refresher



- The ICD-10 implementation is scheduled for Oct. 1, 2014. On claims starting with that date of service, all HIPAA-covered health care entities must use ICD-10 codes in place of the ICD-9 codes.
- Delivered in two parts:
  - ICD-10-CM for all providers in all health care settings
  - ICD-10-PCS for hospital claims and inpatient hospital procedures
- Claims with non-compliant codes will be rejected.
- Does not affect CPT or HCPCS procedure codes and usage

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### Will CMS Delay ICD-10?



The Department of Health and Human Services (HHS), in its statement regarding the Change to the Compliance Date for ICD-10-CM and ICD-10-PCS [45 CFR Part 162], stated they considered a two-year delay but found it would:

- Double the costs of the ICD-10 transition
- Present problems from a code freeze perspective
- Signal a lack of HHS commitment to ICD-10. HHS is providing the industry a **strong argument against further delays** of the ICD-10 transition.

Physician groups such as the American Medical Association (AMA) are advocating for another delay, but HHS has been firm in sticking to the current ICD-10 schedule. During the Health Information and Management Systems Society (HIMSS) meeting held in New Orleans in March 2013, acting administrator of the Centers for Medicare and Medicaid Services (CMS) Marilyn Tavenner **squashed all rumors** regarding another delay in her speech to HIMSS attendees. She urged providers to perform internal checks of their systems, make any changeovers as needed, and **ensure all updates will be in place well before October 2014.**

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### The differences between ICD-9 and 10



Differences between the code sets make ICD-10 look like an entirely different coding language

- Main differences include:
  - Volume
  - Structure
  - Granularity
  - One-to-many, many-to-one



#### ICD-10 New features

- Combination codes for some conditions and associated symptoms
- Laterality
- Expansion of some codes
  - Injuries
  - Diabetes
  - Alcohol and substance abuse
  - Post-op complications
  - OB changes from episode of care to trimester

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### Diagnosis Codes ICD-9 vs ICD-10



ICD-9	ICD-10
ICD-9-CM Volumes 1 & 2	ICD-10-CM
3-5 characters in length	3-7 characters in length
~13,500 codes	~69,000 codes
First digit may be alpha (E or V) or numeric; digits 2-5 are numeric	Digit 1 is alpha; digits 2 and 3 are numeric; digits 4-7 are alpha or numeric
19 chapters	21 chapters
Adopted by US in 1979	Introduced by WHO in 1994
Based on outdated technology	Reflects current usage of medical terminology and devices
Limited space for adding new codes	Flexibility for new codes
Generic terms for body parts	Detailed descriptions for body parts
Limited use of laterality	Extensive use of laterality
Injuries grouped by category	Injuries grouped by anatomical site

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## Surgical Procedure Codes ICD-9 vs ICD-10



ICD-9	ICD-10
ICD-9-CM Volume 3	ICD-10-PCS
3-4 characters in length	7 characters in length
~4,000 codes	~90,000 codes
All digits are numeric	Alphabetic and numeric characters <i>* There is no zero or one, only O and I.</i>
Based on outdated technology	Reflects current usage of medical terminology and devices
Generic terms for body parts	Detailed descriptions for body parts
Lacks descriptions for methodology and approach	Provides detailed descriptions of methodologies and approach
Lacks precision to adequately define procedures	Precisely defines procedures with detail regarding body part, approach, any device used and qualifying information. Codes are built one digit at a time, each digit represents a different piece of information.

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## ICD-10 Fun



- Z565 - Uncongenial work environment
- R461 - Bizarre personal appearance
- R462 - Strange and inexplicable behavior



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## Wellmark's Commitment to ICD-10



## Wellmark's Commitment to ICD-10



### Full Regulatory Compliance

- Wellmark will fully comply with the regulatory mandate as described in the Final Rule published September 2012.
- Wellmark will fully comply with all CMS requirements for ICD-10 code set usage.

### Full System Remediation

- All Wellmark systems will be remediated to fully support both ICD-9 and ICD-10 claims directly as received. No crosswalks are being used within our systems.

### Business Rule Intent Stability

- All business rules have been evaluated to determine the correct equivalent list of ICD-10 codes to meet the intent of the business rule.

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## Wellmark's Commitment to ICD-10



### Transition Neutrality

- Operational Stability
- Reimbursement Calculations



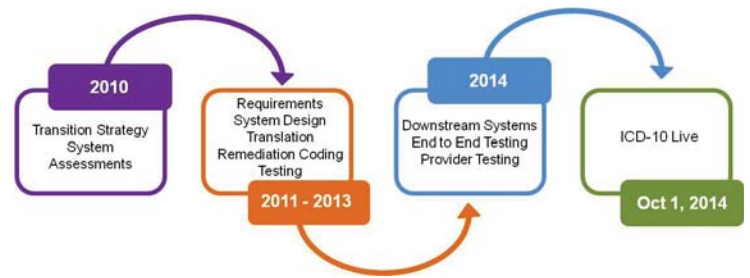
### Contingencies

- Extension of ICD-10 Deadline
- CMS request to accept both ICD-9 and ICD-10 for a time period (overlap)

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## Wellmark's Timeline



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## ICD-10 Fun

W1811XA – Fall from or off toilet without subsequent striking against object

W1849XA – Other slipping, tripping and stumbling without falling

W2202XA – Walked into lamppost

W5922XA – Struck by turtle



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## ICD-10 Testing with Wellmark

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## ICD-10 Testing with Wellmark



- Wellmark will utilize the same testing environment and processes as used for HIPAA 4010 and 5010 testing.
- We will accept HIPAA 5010 837 electronic claims containing ICD-10 codes in our test environment. These claims will be processed using ICD-10 edits and reimbursements will be calculated with ICD-10 grouper software. 835 electronic remittance advice files will be returned through the test environment.
- We will pilot testing with some of our larger and specialized hospitals during the first quarter of 2014. Please contact us if you are interested in participating in our testing pilot.
- From April 1 through September 30, all providers are encouraged to send test claims to our test environment.
- You will have the opportunity to send batches of ICD-9 along with batches of ICD-10 claims to allow you to compare claim results for dual coded claims.



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## ICD-10 Testing Considerations



- Testing will focus on the 837 Claims and 835 Electronic Remittance Advice transactions.
- You must be registered for our testing environment. Directions will be provided in advance along with contact information for our support line to assist you.
- You must be registered to receive our test 835 files. Assistance will be provided.
- Remittance responses will only be provided via 835 files. No paper reports will be mailed from our test environment.
- Claims must contain valid Wellmark member and provider information as well as valid ICD-9 or ICD-10 codes to process through our test environment. We will reject data that is not present in our production environment.
- Claims must process through completion automatically. No claims will be manually worked in the test environment. As such, you may not receive an 835 on every claim submitted.

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## ICD-10 Fun

V9107XA - Burn due to water-skis on fire

V9543XA - Spacecraft collision injuring occupant



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## ICD-10 Transition

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- On October 1, 2014, Wellmark will begin accepting ICD-10 codes on claims with a date of service or discharge date of October 1, 2014 or later.
- ICD-10 codes will not be accepted before this date.
- As of October 1, 2014, Wellmark will begin rejecting claims received with ICD-9 codes on dates of service or discharge dates of October 1, 2014 or later.
- ICD-9 codes for dates of service prior to October 1, 2014 will continue to be accepted as per Wellmark's timely filing policies.
- These rules will apply to both electronic and paper submitted claims.



- Professional claims that span September 30 and October 1, 2014, need to be split. Each claim must contain only ICD-9 or ICD-10 codes. We cannot accept a mix of both ICD-9 and ICD-10 on a single claim.

Here's an example of a split claim:

A patient has an appointment on September 27, 2014, and is diagnosed with bronchitis. He returns for a follow-up appointment on October 3, 2014. In this case, a practice will submit a claim with an ICD-9 diagnosis code for the first visit and another claim with an ICD-10 diagnosis code for the follow-up visit.

- We will follow CMS' guidelines on when to split claims as explained in MLN Matters® Number: [MM7492](#)

CMS lists numerous examples when providers will need to split the claim so all ICD-9 codes remain on one claim with Dates of Service (DOS) through 9/30/2013 and all ICD-10 codes placed on the other claim with DOS beginning 10/1/2013 and later.



- There are no changes to how you submit your electronic claims. 837 batches can contain ICD-9 and ICD-10 claims.
- We will continue to utilize 3M's APR-DRG and EAPG groupers for both ICD-9 and ICD-10 codes based on date of service.



- Wellmark has evaluated our medical policies.
- There will be no changes to the definitions for medical necessity.
- The intent behind each medical policy remains the same.
- Each system business rule was translated and equivalent ICD-10 codes were determined through both the use of a tool as well as committee review to ensure consistency.



According to the Iowa Medicaid March 2013 survey:

- Just 22% of respondents indicated they were more than a quarter of the way through planning for resources dedicated to implementing ICD-10 (up slightly from 15% on the first)
- Only 20% responded they had developed an ICD-10 training plan.
- Only 79% of respondents indicated they will be ready to comply with the production deadline.

A WEDI survey provided to CMS in February 2013 indicated:

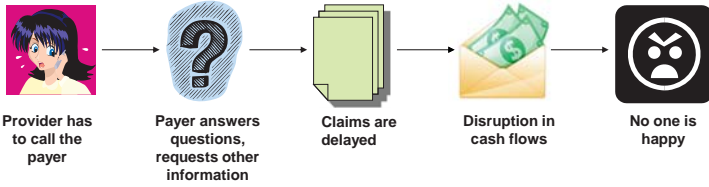
"The survey results show that projected timeframes for testing have shifted and **many organizations will not begin this task until 2014,**" said Jim Daley, WEDI Chairman. "Because of the magnitude of ICD-10 **it is critical that organizations complete their remediation efforts as quickly as possible** in order to allow adequate time for testing."





If we receive non-compliant codes (claims reject) OR incorrectly assigned ICD-10 codes (claims deny or pay incorrectly),

Then there is a major disruption...



**It is in everyone's best interest to work toward a seamless transition.**

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Due to the extensive granularity of ICD-10, medical records will need to contain more information to complete accurate coding.

### Diagnosis

- Obesity must be specified in ICD-10 if due to excess calories or if drug induced.
- Angina Pectoris is further classified as unstable angina, angina pectoris with documented spasm or other forms of angina pectoris.
- Asthma is specified as mild intermittent, mild persistent, moderate persistent and severe persistent.
- Tobacco dependence in ICD-9 becomes Nicotine dependence in ICD-10.
- The type of nicotine dependence must be documented for coding purposes.

### Procedures

- Transfusion of Packed Red Blood Cells need to specify if red blood cells are fresh or frozen.
- Hernia repairs require the device (graft/implant) to be coded to autologous tissue substitute, synthetic substitute or nonautologous tissue substitute.
- Radiological procedures (aortogram, arteriography performed under fluoroscopy) need to specify contrast material used (High Osmolar, Low Osmolar or other contrast)

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## ICD-10 Resources



## ICD-10 Resources



ICD-10 Program Testing Questions  
[ICD-10Testing@wellmark.com](mailto:ICD-10Testing@wellmark.com)

Wellmark's ICD-10 Website  
<http://www.wellmark.com/Provider/ClaimsAndPayments/ICD10.aspx>

Wellmark's ICD-10 Frequently Asked Questions  
<http://www.wellmark.com/Provider/ClaimsAndPayments/ICD10FAQ.aspx>

Wellmark's Blue Ink Articles  
<http://www.wellmark.com/Provider/CommunicationAndResources/Publications.aspx>

CMS ICD-10 Website  
<http://www.cms.gov/Medicare/Coding/ICD10/index.html?redirect=/icd10/>



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## Summary



Despite the different ways ICD-10 is being used throughout the world, there are still some lessons we can learn from other countries:

- First and foremost, **plan and prepare**. Do not under estimate how much time it will take to make the necessary business practice and system changes needed to be ready.
- Coders should be **experts on ICD-10 before** going live.
- Adequate time should be set aside for **testing**.

In AAPC's white paper "ICD-10: The History, The Impact and the Keys to Success," the ICD-10 Vice President for the American Association of Professional Coders (AAPC), Rhonda Buckholtz, summarized the implementation process:

"Practices that **take a strategic approach** to ICD-10 implementation will not have the [same] productivity struggles as those who do not take ICD-10 seriously."

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## Questions?



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