

# ICD-10-CM FAQs

For those who were not aware, a Final Rule released in the January 16, 2009 Federal Register announced an October 1, 2013 deadline for compliance with ICD-10-CM. The same day the Department of Health and Human Services (DHHS) also released a Final Rule updating the standards for electronic transactions under HIPAA. This Rule along with the ICD-10-CM Rule will facilitate the nation's transition to an electronic health care environment.

AAOMS is currently preparing for additional ICD-10 education and frequently posts related information on the [AAOMS Website](#). The AAOMS will release news or announcements as they become available in the AAOMS Today, AAOMS Advocacy E-Newsletter, or OMS Staff Communiqué. Also, the questions and answer posed during the October 2011 webinar "ICD-10-CM: A Clinical Documentation Challenge" can be found on [AAOMS's Continuing Education Webpage](#).

## 1. Why is ICD-10 replacing ICD-9?

Developed in the 1970's the ICD-9 CM system no longer fits with the 21<sup>st</sup> century healthcare system. ICD-9CM is used for many more purposes today than when it was originally developed and is no longer able to support current health information needs.

The US is virtually the only industrial nation that has not upgraded its classification system. Upgrading to ICD-10 CM/PCS will improve the US's ability to track and respond to international public threats, increase the value of the US investment in SMOWMED-CT and better achieve the benefits of an EHR.

The American Health Information Management Association (AHIMA) states ICD-9-CM:

- Lacks sufficient specificity and detail
- Is running out of capacity and the limited structural design cannot accommodate advances in medicine and medical technology and the growing need for quality data
- Is obsolete and no longer reflects current knowledge of disease processes, contemporary medical terminology or the modern practice of medicine.
- Hampers the ability to compare costs and outcomes of different medical technologies.
- Cannot support the US transition to an interoperable health data exchange in the US

## 2. Is ICD-10 mainly intended for hospital inpatient coding?

No, ICD-10 CM will replace ICD-9-CM diagnosis codes and will be used for reporting all diagnoses in all settings. Providers in all healthcare settings currently utilize ICD-9-CM diagnosis codes to report various conditions, diseases or symptoms as required under the Health Insurance Portability and Accountability Act of 1996 and in the future these same providers will utilize ICD-10-CM diagnosis codes for reporting, payment, research and other purposes. ICD-10-PCS is replacing ICD-9-PCS which is the most current procedure classification system developed in the United States. This system is only used in inpatient settings.

## 3. Where are ICD-10-CM/PCS resources found?

AAOMS will continue to post ICD-10 updates on its [website](#), therefore members are encouraged to monitor this website. The AAOMS also hosted two webinars thus far on ICD-10 in which audio recordings are now available. The AAOMS will also begin its in-person ICD-10 instruction at the AAOMS ICD-10 coding workshops which are scheduled to debut in 2012. For course details or registration information please visit the [AAOMS Meetings and Continuing Education website](#).

There are also many good resources available, beginning with the [ICD-10 National Proposed Rule Making \(NPRM\)](#). ICD-10-CM information can be found on the [National Centers for Health Statistics NCHS website](#) and ICD-10-PCS information can be found on the [CMS website](#). A number of ICD-10 resources are also available on the [American Health Information Management \(AHIMA\) website](#).

#### **4. Who needs training and education on ICD-10?**

Basically anyone who currently utilizes ICD-9 codes will require training on ICD-10. However some examples of health information management (HIM) staff from an OMS practice that will require training and education on ICD-10 are: billing or financial office professionals; accounting professionals 'practice managers' quality management staff; utilization management staff; and patient registration staff or receptionists. Other HIM staff requiring ICD-10 training are ancillary department staff, visiting nurses, hospice professionals, nursing facility personnel, auditors, clinicians, corporate compliance office staff, outpatient service billing personnel, and data quality management staff.

#### **5. Who will offer training and what kind of training will be offered?**

AAOMS provides many ICD-10 training opportunities and resources through the AAOMS website and their workshop series. The AAOMS has hosted two webinars and will offer in-person workshops for ICD-10 training beginning in 2012. A number of professional organizations and vendors will likely offer training. The industry, students, data managers and users, coding personnel and providers are also being developed.

#### **6. Will the benefits of ICD-10 outweigh the cost of implementation?**

An independent study conducted by RAND concluded that the benefits of ICD-10-CM and PCS are likely to exceed initial implementation costs (training, loss of productivity among coders and system changes or upgrades) within just a few years by increased productivity. Furthermore, the cost of doing nothing may be greater than actual implementation. Any delay in adoption will cause an increase in future implementation costs as the management of health information becomes increasingly electronic and the costs of implementing new coding systems increase due to required systems and application upgrades.

#### **7. Will ICD-10 cause more claims to be denied due to increased specificity?**

When ICD-10 is first implemented, there may be more denials than most are used to due to increased specificity and detail necessary to properly code. Once coders and practices become used to the differences, the amount of denials should be less and less.

**8. Is there a 3M/Encoder system created/updated for ICD-10?**

The Ingenix EncoderPro, currently promoted as an ASI, Inc. approved program, will contain ICD-10 once it is implemented. It is very likely that other companies such as 3M will update their programs to be ICD-10 compatible as well.

**9. Can we Use ICD-10 Early?**

The new ICD-10-CM coding system takes effect October 1, 2013. While code users are encouraged to educate themselves and practice with the new coding system before implementation, the new codes will not be valid on the CMS 1500 medical claim form for any dates of service prior to October 1, 2013 for outpatient / physician office claims or dates of discharge prior to October 1, 2013 for inpatient claims.

**10. What if we simply include BOTH I-9 and I-10 codes?**

The regulation states ICD-10-CM must be used on all outpatient claims with dates of service October 1, 2013 and later, and all inpatient claims with dates of discharge October 1, 2013 and later. Claims possessing ICD-9-CM codes when ICD-10-CM is mandated will be rejected.

**11. What is the grace period for the use of ICD-9 codes submitted after implementation of the new ICD-10 codes?**

Grace periods for using new or revised ICD-9 codes were eliminated quite a few years ago. [CMS](#) has indicated there will be no delay in implementation of ICD-10. Use of ICD-10 codes will be required beginning October 1, 2013 and claims not containing ICD-10 will be rejected.

**12. Will ICD-10 replace Current Procedural Terminology (CPT) procedure coding?**

No. This change does not affect CPT coding for outpatient procedures. ICD-10 PCS procedure codes will replace ICD-9-PCS and are only used for hospital inpatient settings only. CPT coding and ICD-PCS are two different ways of reporting procedure codes and are used in different settings.

**13. If HIPAA 5010 requires use of ICD-10 By January 2012, then how does the implementation date of October 2013 apply? Won't we have to use the new codes by January 2012?**

HIPAA 5010 does not require the use of ICD-10-CM by January 1, 2012, but rather requires the use of the HIPAA 5010 electronic transaction by January 1, 2012 which will accommodate ICD-10-CM when it becomes mandatory on October 1, 2013.

**14. Are there plans to change the CPT and ADA procedure coding systems? If so, when?**

No. The CPT and CDT coding systems for physicians will not change as a result of the transition to the new ICD-10-CM coding system. Annual updates to the CPT coding system and biannual updates to the CDT coding system will continue. Inpatient procedure coding however will change to ICD-10-PCS.

**15. Why are the costs expected to be so expensive to change over?**

Most of the expected costs will result from changes in existing computer systems. These include updating software packages, developing interfaces between computer systems, and maintaining parallel (ICD-9-CM and ICD-10-CM) systems during transition. The extent of effort and cost will depend on the number of computer systems in place, the age and flexibility of those systems, the number of interfaces needed, and the number of external data transfers made by the practice. In addition to changes in technology, there will also be costs associated with reformatting reports, forms, and other administrative documents. While these activities may be handled internally, there will still be costs associated with employee time and effort. Lastly, there will be employee training costs. Included in this category is ICD-10-CM training; medical terminology, anatomy and pathophysiology training; and new computer training (if significant technology changes are implemented by the practice). The total cost of conversion will largely depend on the preparedness of the practice. Lack of planning now could cause a significant financial loss later. Computer vendors, consultants, and IS/IT professionals will charge increased rates for “last minute”, expedited services.

**16. What do I need to ask my vendor about transition from ICD-9 into ICD-10?**

Two questions that you will want to ask your vendor are:  
What systems upgrades or replacements are needed to accommodate ICD-10?  
What costs are involved and are upgrades covered by existing contracts?

**17. Will fee schedules be changing once ICD-10 is implemented?**

ICD-10 implementation will not affect fee schedules pricing at all. Fee schedules are typically assigned to CPT codes. However, ICD-10 may affect the medical necessity of a particular procedure just as ICD-9 currently does. Carriers will have more specific codes to use in determining medical necessity and benefits.

**18. How do I code ICD-10, if the doctor’s documentation is not detailed enough within his reports?**

You will need to either suggest training for the doctor so he can visualize how specific he needs to be within documentation for proper ICD-10 coding, or query the doctor for more information. The doctor should be queried when there is conflicting or incomplete documentation relating to the patient’s diagnosis or procedure. The query process should stay consistent. If the queries are only being performed for reimbursement purposes, it could be interpreted as up coding. When querying, the coder should state facts and ask open-ended questions that requires the doctor to write a clear and informative response.

**19. If you are not going to start AAOMS training until 2012, what happens to us implementing the HIPAA 5010 by the January 2012 deadline?**

While HIPAA 5010 and ICD-10-CM compliance are related, they are two separate things. AAOMS training in 2012 relates to ICD-10-CM training, not HIPAA 5010. While the HIPAA 5010

implementation date is January 1, 2012, preparation and implementation will require providers to speak with their billing vendor, software vendor, and/or clearinghouse to inquire about their readiness plans for these standards. For more information see the [System Testing Should Begin Now for Transition to HIPAA 5010](#) story on the AAOMS web site. For future AAOMS workshop dates visit the Meetings and Continuing Education page of the AAOMS website at <http://www.aaoms.org/meetings.php>

**20. What ICD-10 resources will AAOMS offer to members/staff before October 2013?**

AAOMS offers basic online courses, Beyond the Basics in-person workshops, and advanced coding online courses for ICD-9. Starting in 2012, ICD-10 will be introduced into these courses. Also, AAOMS will be introducing an ICD-10 coding workshop in November 2012 in Atlanta, GA. More information on all of these resources can be found at [http://www.aaoms.org/coding\\_workshops.php](http://www.aaoms.org/coding_workshops.php).

**21. Where can I find the ICD-10 code sets?**

The ICD-10-CM and ICD-10-PCS code sets are available free of charge and can be found on the CMS Web site.

For the ICD-10-CM (diagnosis) code sets, go to [www.cms.gov/ICD10/12\\_2010\\_ICD\\_10\\_CM.asp](http://www.cms.gov/ICD10/12_2010_ICD_10_CM.asp).

For the ICD-10-PCS (hospital inpatient procedure) code sets, go to [www.cms.gov/ICD10/13\\_2010\\_ICD10PCS.asp](http://www.cms.gov/ICD10/13_2010_ICD10PCS.asp).

For ICD-10-CM official guidelines for coding and reporting, go to [www.cms.gov/ICD10/Downloads/7\\_Guidelines10cm2010.pdf](http://www.cms.gov/ICD10/Downloads/7_Guidelines10cm2010.pdf).