

# ICD-10 – The new generation of Disease Classification

## What is ICD-10?

The U.S. Department of Health and Human Services (HHS) has issued a final rule to move from the currently used International Classification of Diseases (ICD-9) to the next generation of ICD-10 code sets by October 1, 2014. The new code sets will allow for more detailed medical health reporting; Detailed information on condition, severity, co-morbidities, complications, and location; Expanded coding flexibility due to new code lengths; Embedded detail informing healthcare providers and health plans of incidence and history drastically improving case management and care coordination.

## Compliance Dates

- **June 30, 2012:** In order to support the new ICD-10 codes, all healthcare entities (health care providers, health care clearinghouses, health plans, etc.) must first adopt the new HIPAA 5010 standards by January 1, 2012.
- **October 1, 2014:** All inpatient claims with discharge dates on or after October 1, 2014 and all other claims with a date of service on or after October 1, 2014, must be submitted with ICD-10 codes. Claims that are submitted with non-compliant codes after this date will be rejected.

## How to Prepare

Providers should prepare for ICD-10 by first concentrating on the transition to HIPAA 5010, a prerequisite for the conversion to ICD-10. The HIPAA 5010 compliance date is January 1, 2012. Training is critical for Claim Adjudicators, Program Integrity Analysts and Policy Development Staff. Medical managers and medical analysts will need to be fluent in ICD-9 and ICD-10. Medical policy's need to be analyzed for modifications that will be needed for coverage determinations, payment determinations and all medical review policies. In depth analysis must be directed to proper coding methodology and reimbursement requirements. The World Health Organization adopted the ICD-10 coding methodology in 1990 and with this new Disease Classification System (ICD-10) now being mandated, the United States will join over 136 countries using the new coding system.

## What Will Change

- Diagnosis codes (ICD-10-CM) and procedure codes (ICD-10-PCS) will have more digits; CPT and HCPCS codes will not be affected.
- The number of codes will increase significantly from roughly 14,000 codes to 170,000 codes.
- The new ICD-10 codes:
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  - Use update and more precise medical terminology
  - enable laterality
  - allow for the ability to add new codes
  - include greater specificity (including a greater number of digits)
  - provide more detailed clinical information about conditions, diseases, and injuries.

The implementation of ICD-10 will result in more accurate coding which will improve the ability to measure health care services, enhance the ability to monitor public health, improve data reporting and reduce the need for supporting documentation when submitting claims, and support greater analysis of risk and severity.

## CMS Resources

The Centers for Medicare & Medicaid Services offer a vast array of resources to assist in understanding and implementing the transition to ICD-10. The CMS ICD-10 website is:

[http:// www.cms.gov/ICD10](http://www.cms.gov/ICD10)

You can find information concerning ICD-10 basics, education, coding, crosswalks, myths and facts and many more useful links to help guide you through the process of understanding and implementing ICD-10.