

ICD-10 AND YOUR OFFICE

What You Need to Know Today

These FAQs are meant to help you understand **ICD-10, the new HIPAA code set standard for diagnoses and inpatient hospital procedures**. Effective October 1, 2015, the transition from ICD-9 to ICD-10 will be easier if you know what it means for your office/facility/organization, the steps to prepare for it and how it affects how you do business with us.

UPDATE: ANSWERS TO LATEST QUESTIONS

Will EmblemHealth follow CMS' lead in relaxing requirements for code specificity?

EmblemHealth's approach is aligned with CMS'. Specificity will not come into play during claims adjudication as long as the code is valid.

If CMS pays a claim that has a valid ICD-10 code that is not at its greatest level of specificity, and EmblemHealth is the secondary payer on the claim, will EmblemHealth review the claim for specificity and possibly deny it for lack of greater specificity?

No. Specificity will not come into play during claims adjudication as long as the code is valid. This holds true whether EmblemHealth is primary or secondary payer.

THE BASICS OF ICD-10

What is the transition to ICD-10 all about?

On January 16, 2009, the Department of Health and Human Services (HHS) published final rules requiring HIPAA-covered entities (health plans, clearinghouses and providers who conduct electronic transactions) to adopt ICD-10 by October 1, 2013. HHS has since pushed back the implementation date to **October 1, 2015**.

ICD-10 stands for the "Tenth Revision of the International Classification of Diseases." It is the worldwide code-set standard endorsed by the World Health Organization for describing medical diagnoses and inpatient hospital procedures. The codes are:

- Essential to accurate and efficient health care management
- Present on most claims
- Used daily by health care providers

ICD-10 includes many more codes than ICD-9 (142,000 vs. 18,000), and they are more detailed than the former. This means that adopting ICD-10 involves more than a simple swap of codes and with business and financial implications for the health care industry.

Why adopt ICD-10 now?

More than 30 years old, the current ICD-9 code-set structure no longer accommodates the ongoing need for greater specificity in describing diagnoses and procedures. ICD-10 accomplished the following:

- The seven-character structure of the new ICD-10 code-set allows for more detailed clinical documentation.
- It will also improve the quality of health care management by providing additional information about a patient's condition or the procedure performed.

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ICD-10 AND YOUR OFFICE WHAT YOU NEED TO KNOW TODAY

(Continued)

- The new ICD-10 code set also assigns more precise conventions for claims processing and reimbursements between providers and payers.
- ICD-10 enables comparative analyses of health care statistics between the United States and countries that have already adopted ICD-10.

Why should I prepare for ICD-10 now?

A successful transition to ICD-10 requires extensive and unprecedented changes to your systems and processes and the investments you make today will ease the shift for you and your patients once ICD-10 takes effect. For help planning, refer to implementation guides and timelines of the Centers for Medicare & Medicaid Services (CMS).

EMBLEMHEALTH'S PREPARATIONS FOR ICD-10

Does EmblemHealth have a testing and implementation plan?

EmblemHealth plans to be compliant by the CMS deadline and is currently in the final phase of testing with selected external partners.

Will EmblemHealth update all internal systems, including adjudication systems, duplicate claim checking and unbundling software to accommodate ICD-10 code changes? Or will an insulated approach be taken?

EmblemHealth plans to process ICD-10 claims natively, just as ICD-9 claims are processed today.

What are the anticipated downtime requirements for ICD-10 deployment and conversion activities?

ICD-10 implementation is not expected to create any downtime for providers.

Will EmblemHealth use the CMS ICD-10 General Equivalence Mappings/Crosswalks?

There are no plans to use any type of ICD-9 to ICD-10 crosswalks to process claims. Our goal is to process ICD-10 coded data natively, with one exception: the use of proprietary codes. The approach will be to replicate the processing of proprietary codes by cross-walking ICD-10 codes to our proprietary codes.

Will providers be required to purchase any additional equipment, software licenses or subscription fees to support EmblemHealth's ICD-10 changes or enhancements?

Maybe. Providers will be expected to submit ICD-10 compliant claims after the CMS deadline. Each provider will need to determine what is needed to operate in an ICD-10 environment.

How will medical policies be remediated to support ICD-10? When will these changes be communicated to providers?

There are only a small number of medical guidelines with implications for ICD-10. These medical guidelines have been remediated and will be updated accordingly. Medical guidelines will be available online closer to the implementation date.

Will reporting formats, e.g., encounter, paid claim or audit reports be changed?

There are no proposed changes to our current reporting other than field sizes warranted by the new increased field lengths of the diagnosis codes as applicable.

Are ICD-10 updates posted on the Internet?

Yes. EmblemHealth has a dedicated [ICD-10 web page](#) for information about ICD-10 and updates about our implementation plans.

ICD-10 AND YOUR OFFICE WHAT YOU NEED TO KNOW TODAY

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A NEW WAY TO WORK TOGETHER

Am I required to adopt ICD-10 by October 1, 2015?

Yes. By October 1, 2015, all providers, facilities and organizations affected by this change will be required to be ICD-10 compliant and follow the respective CMS guidelines. The CMS ICD-10 mandate applies to all providers, whether or not they participate in our Medicare or Medicaid plans. It also applies to both paper and electronic claims.

What happens if I don't change to ICD-10 by October 1, 2015?

Prior approval and referral requests and claims not compliant on or after October 1, 2015, will not be processed and will be returned for error correction. If your office cannot generate ICD-10-compliant prior approvals, referrals and claims by October 1, 2015, we will be unable to reimburse you for services provided.

Will ICD-10 affect CPT or HCPCS codes?

No. The transition to ICD-10 does not affect the use of Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) codes.

If you currently bill using CPT/HCPCS codes, continue to do so. However, you will still need to prepare for ICD-10 to provide accurate diagnosis codes on prior approval and referral requests and claims.

Will the transition to ICD-10 affect the time it takes to secure prior approval requests, referral requests or to process claims?

No. The time it takes to secure prior approval, referral requests or to process claims is not expected to be impacted by the transition to ICD-10.

How do I submit ICD-10-compliant prior approval requests?

When submitting prior approval requests, use the date you enter the prior approval request (**not** the date of service) to determine whether to use ICD-9 or ICD-10 codes:

- For prior approval requests entered **before** October 1, 2015, use ICD-9 codes only. Those submitted with ICD-10 codes will not be accepted and must be modified to use ICD-9 codes.
- For prior approval requests entered **on or after** October 1, 2015, use ICD-10 codes only. Those submitted with ICD-9 codes will not be accepted and must be modified to use ICD-10 codes.
- Prior approval requests submitted with a combination of ICD-9 and ICD-10 codes will not be accepted and must be modified to use either ICD-9 or ICD-10 codes (based on date of entry of prior approval request).

In the absence of subsequent CMS guidelines, there will be no exceptions to these requirements.

How do I submit ICD-10-compliant referral requests?

When submitting referral requests, use the date you enter the referral request (**not** the date of service) to determine whether to use ICD-9 or ICD-10 codes:

- For referral requests entered **before** October 1, 2015, use ICD-9 codes only. Those submitted with ICD-10 codes will not be accepted and must be modified to use ICD-9 codes.
- For referral requests entered **on or after** October 1, 2015, use ICD-10 codes only. Those submitted with ICD-9 codes will not be accepted and must be modified to use ICD-10 codes.
- Referral requests submitted with a combination of ICD-9 and ICD-10 codes will not be accepted and must be modified to use either ICD-9 or ICD-10 codes (based on date of entry of referral request).

In the absence of subsequent CMS guidelines, there will be no exceptions to these requirements.

ICD-10 AND YOUR OFFICE WHAT YOU NEED TO KNOW TODAY

(Continued)

How do I submit ICD-10-compliant claims?

When submitting claims, use the dates of service (for outpatient and professional services) or dates of discharge (for inpatient services) — **not** the date you enter the prior approval request or the referral request or the date of patient intake (for inpatient services). To determine whether to use ICD-9 or ICD-10 codes:

- For claims with dates of service or dates of discharge **before** October 1, 2015, use ICD-9 codes only. Those submitted with ICD-10 codes will not be processed and will be returned for error correction.
- For claims with dates of service or dates of discharge **on or after** October 1, 2015, use ICD-10 codes only. Those submitted with ICD-9 codes will not be processed and will be returned for error correction.
- For outpatient or professional claims with dates of service that fall both **before and on or after** October 1, 2015, split the claim into two claims:
 - **Claim 1:** For dates of service **before** October 1, 2015, use ICD-9 codes only.
 - **Claim 2:** For dates of service **on or after** October 1, 2015, use ICD-10 codes only.
 - Claims submitted with a combination of ICD-9 and ICD-10 codes will not be processed and will be returned for error correction.

In the absence of subsequent CMS guidelines, there will be no exceptions to these requirements.

How will you manage legitimate ICD-9-CM claims processing and reimbursement after October 1, 2015?

Facilities are expected to follow CMS guidelines with respect to the appropriate use of timeframes for ICD-10 codes. EmblemHealth will return as noncompliant all claims using ICD-9 codes with service dates of October 1, 2015 or after. Such claims will be reconsidered upon receipt of a corrected claim. NYS Prompt Payment regulations shall apply for applicable claims.

Will paper Explanation of Benefit (EOB) layouts change?

While there are no proposed changes to our current EOBs resulting from ICD-10, EOBs are being redesigned to make them more legible and clear.

Will the transition to ICD-10 affect my reimbursements and contracts?

While CMS intends to make the transition to ICD-10 as financially neutral as possible, it acknowledges that adopting the more detailed codes of ICD-10 could affect reimbursements.

The financial impact of ICD-10 may vary based on your contract(s) with us, but we are committed to minimizing this impact. We plan to maintain consistency in how claims are paid and benefits applied and to ensure that neither party is unduly harmed or benefited by the ICD-10 conversion.

How will reimbursement methodology be affected by ICD-10?

EmblemHealth intends to move all of our contracts from AP DRG (or to Per Diem methodology if MS DRG is not agreeable). Since MS DRG was designed for Medicare use, some carve-outs will be required to address services such as maternity and neonatal care.

What is EmblemHealth's approach towards contract review and revision in the ICD-10-CM/PCS environment (e.g., addendum to existing agreement or renegotiation of contract)?

EmblemHealth will work to ensure a seamless conversion to ICD-10 coding to be implemented within the time frames required by law. It is the intent of EmblemHealth to assure budget neutrality regarding any needed rate modifications, as defined below, prior to the mandated implementation date. EmblemHealth will make sure no provider is harmed or benefited from the introduction of and conversion to the new ICD-10 coding system.

EmblemHealth also recognizes that the transition to ICD-10 may affect DRG assignment and therefore modification of negotiated rates may be necessary to hold both parties protected from any material financial impact from the transition.

ICD-10 AND YOUR OFFICE WHAT YOU NEED TO KNOW TODAY

(Continued)

EmblemHealth recognizes that it may not be possible to determine if an adjustment to the rates of reimbursement on a prospective basis (“Rate Modification”) is necessary and if a Rate Modification is necessary, what the form of such Rate Modification will be prior to the implementation of ICD-10 coding.

Both parties agree that if the conversion to the ICD-10 coding system constitutes a material financial impact, they will work cooperatively on an evaluation of the impact and its resolution. Once the impact has been agreed to, rates will be adjusted prospectively as needed, unless it is determined by both parties that a Rate Modification is not required.

Is there a timeline for contract renewal/renegotiation?

EmblemHealth has established a timeline for its implementation of ICD-10 and expects to be fully implemented within the mandated time frame.

Will the transition from ICD-9 to ICD-10 work with eligibility transactions and subsequent episodes of care?

The transition from ICD-9 to ICD-10 will not affect any eligibility, just the submission of cases requesting referrals or prior approvals.

Will EmblemHealth require or support “interim” billing?

EmblemHealth cannot support interim billing for DRG claims, including those that pay at DRG, as well as those that are DRG-based, but pay a case rate. We can support interim billing for contracts that reimburse on a per diem basis.

PREPARING YOUR PRACTICE FOR THE CHANGE

What are the first steps to getting ready for ICD-10?

The ICD-10 conversion affects many provider systems and processes, and if your office needs help deciding where to start, the first steps are crucial to ensuring that your implementation plan optimizes costs, time and resources and that it stay on track and on budget. Here are some starting points:

- Review the current use of ICD-9 codes across your systems and processes by identifying how and who is using them. Visit the websites of [CMS](#) and the [American Academy of Professional Coders](#) for more information on the potential impacts of ICD-10.
- Educate your staff on ICD-10 and remediation efforts.
 - Ensure they have a basic understanding of ICD-10 requirements.
 - Visit the website of the [American Health Information Management Association](#) for multiple training opportunities for you and your staff.
- Ask your vendors about their plans for ICD-10.
 - Get to know the ICD-10 plans of your clearinghouse, billing vendors and practice management software vendors, and coordinate with them on testing.
- Build your implementation plan using ICD-10 resources and industry insights.
 - Implementation plan templates are available on the websites of CMS and the American Health Information Management Association.

Are there guidelines to help with mapping between ICD-9 and ICD-10?

Since ICD-10 includes many more codes than ICD-9 (142,000 vs. 18,000), identifying equivalent codes requires more than a simple swap. Creating a system to map between ICD-9 and ICD-10 codes is therefore one of the major challenges of the ICD-10 transition.

For help with mapping, refer to CMS’s general equivalency mapping tool for diagnosis codes and procedure codes. While a good starting point, you will still need to build your own mapping system to account for your particular contracts and requirements.

ICD-10 AND YOUR OFFICE WHAT YOU NEED TO KNOW TODAY

(Continued)

Can you verify that you have updated your system to Version 5010 standards for electronic transactions? (Only systems with Version 5010 can accept ICD-10 codes; systems with the older, Version 4010 standards cannot accommodate ICD-10)

Yes, we are 5010 compliant.

GETTING THE SUPPORT YOU NEED

How will EmblemHealth communicate with providers during the ICD-10 transition?

To support you during this transition, we will provide regular updates on our **ICD-10 web page** and in our monthly eNewsFlashes. Please update your email address as needed using the Provider Profile feature on our secure provider website, available from the EmblemHealth [provider page](#). You can also send us questions at ICD10@emblemhealth.com.

What is EmblemHealth's approach to testing with providers?

During the first half of 2015, we will be performing an end-to-end testing with select providers. The testing approach is to mirror actual production as closely as possible, ensuring claims containing ICD-10 codes are successfully submitted; appropriately adjudicated and accurate remittance advices are produced.

Where can I find additional information about ICD-10?

We recommend the following:

- **Centers for Medicare & Medicaid Services (CMS):** [This site](#) is the premier information source for ICD-10 and related remediation efforts. You may find their [implementation guides and templates](#) and [teleconferences](#) especially helpful.
- **American Academy of Professional Coders (AAPC):** [This site](#) provides multiple resources and [training opportunities](#) to help your office transition to ICD-10. Join their [ICD-10 discussion forum](#) to ask questions about your implementation plan.
- **American Health Information Management Association (AHIMA):** [This site](#) offers a comprehensive [implementation plan](#) that includes a readiness assessment tool. It also provides a list of [certified ICD-10 trainers](#), as well as [multiple resources](#) and [training opportunities](#) for providers.