

PROVIDER QUICK TIPS

Health Insurance Portability & Accountability Act of 1996 (HIPAA) Upgrade to ICD-10 Diagnosis & Surgical Procedure Codes is Coming! Get Ready! (revised September 30, 2015)

On January 16, 2009, the U.S. Department of Health and Human Services (the department) published a final rule under the Administrative Simplification subtitle of HIPAA to adopt ICD-10 as the HIPAA standard code sets to replace the previously adopted ICD-9 codes for diagnosis and surgical procedure codes. The compliance date in the final rule was October 1, 2013. However, given the assessment of industry readiness, the compliance date has been extended to October 1, 2015.

What is included: All entities subject to the HIPAA provisions must transition to ICD- 10. This includes Medical Assistance (MA) enrolled individual providers, provider groups, clearinghouses, software vendors, billing services, and managed care organizations (MCOs). Claims for all healthcare services with dates of service on or after October 1, 2015 and all hospital inpatient claims with discharge dates on or after October 1, 2015 must use the ICD-10 code sets. Claims for all healthcare services with dates of service prior to October 1, 2015 and all hospital inpatient claims with discharge dates prior to October 1, 2015 must use the ICD-9 code sets. Claims may not contain both ICD-9 and ICD-10 codes on the same claim form.

Why is the switch to ICD-10 happening: Implementation of ICD-10 accommodates new procedures and diagnoses that allow for greater specificity of diagnosis-related groups and preventive services. This transition will not affect CPT codes and HCPCS Level II codes that are commonly used in the office and/or outpatient setting. The transition to ICD-10 allows for improved accuracy in payment, historical claims data, and analysis of diagnoses for the health care system. The health care industry is required to make the mandated transition from ICD-9 to ICD-10 because:

ICD-10 codes allow for greater specificity and exactness in describing a patient's diagnosis and in classifying inpatient procedures. ICD-10 will accommodate newly developed diagnoses and procedures and innovations in technology and treatment.

<u>Get ready:</u> You should be taking the following steps in order to ensure a smooth conversion to ICD-10 by the compliance date, October 1, 2015:

- Perform an assessment to determine how ICD-10 will affect your organization.
- Develop an implementation strategy for your organization, including a detailed timeline.
- Check with your clearinghouses, billing services, and practice management software vendors about their plans for ICD-10 readiness.

Note: You must transition to ICD-10 by the compliance date in order to prevent rejected claims and provider payment delays.





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Claims submitted with a mixture of ICD-9 and ICD-10 codes will be denied. The department will post and publish new ICD-10 ESC's closer to the implementation date.

For additional information please visit the Centers for Medicare and Medicaid website at:

http://www.cms.gov/Medicare/Coding/ICD10/index.html?redirect=/ICD10/

The department will not be offering testing capabilities or services for MA enrolled providers. Specific ICD-10 testing should not be necessary as providers currently use ANSI X12 v5010 transactions which support the format structure required to transmit and receive ICD-10 data. If you are a new submitter, please refer to the following link for steps to be taken to become certified to submit transactions to PROMISe[™]:

http://www.dhs.pa.gov/provider/promise/certification/index.htm

MA enrolled providers rendering services under the managed care delivery system should contact their applicable MCO for additional information.

More to come: A dedicated web page has been added to the department's provider information website at:

http://www.dhs.pa.gov/provider/icd10information/

Thank you for your service to our MA recipients. We value your participation. Check the department's website often at: <u>www.dhs.pa.gov</u>

