Frequently Asked Questions
July 2015

Introduction to ICD-10

1. **What is ICD-10?**

   International Classification of Diseases, 10th Revision (ICD-10) is a diagnostic and procedure coding system endorsed by the World Health Organization (WHO) in 1990. It replaces the International Classification of Diseases, 9th Revision (ICD-9) which was developed in the 1970s.

   Internationally, the codes are used to study health conditions and assess health management and clinical processes; and in the United States, the codes are the foundation for documenting the diagnosis and associated services provided across healthcare settings. There are two code sets included:


   The websites listed below offer extensive information on the transition to ICD-10 coding, including the differences between ICD-9 and ICD-10, how small physician offices can plan for compliance, tips on how to build your practice’s action plan and more.

   - [Road to 10: The Small Physician Practice’s Route to ICD-10](https://www.cms.gov): (CMS)

   You may also find these websites helpful:

   - [American Health Information Management Association (AHIMA)](https://www.ahima.org)
   - [American Academy of Professional Coding (AAPC)](https://www.aapc.com)

2. **Why is ICD-10 important?**

   ICD-9 is about 30 years old, and the technology and industry have changed. Current codes are not descriptive enough for precise medical and clinical identification. In addition, many coding categories are full, making it difficult to add new codes for emerging diagnoses and procedures. ICD-10 will provide more detailed information than

ICD-9; it will improve healthcare quality by facilitating better evaluation of medical processes and outcomes. It may also improve the accuracy of payments for services rendered.

According to CMS, the future benefits of ICD-10 may include:

- Measuring the quality, safety, and efficacy of care
- Designing payment systems and processing claims for reimbursement
- Conducting research, epidemiological studies, and clinical trials
- Setting health policy
- Conducting operational and strategic planning, and designing healthcare delivery systems
- Monitoring resource utilization
- Improving clinical, financial, and administrative performance
- Preventing and detecting healthcare fraud and abuse
- Tracking public concerns and assessing risks of adverse public health events

3. Who must comply with ICD-10?


All HIPAA-covered entities, including health plans, clearinghouses, and healthcare providers must transition to ICD-10. Non-covered entities such as property and casualty and worker’s compensation entities are not required to adopt ICD-10; they may, however, still benefit by converting to ICD-10 in order to continue doing business with health professionals who are required to transition to ICD-10.

4. How are vendors and providers impacted by ICD-10?

The ICD-10 implementation represents a significant change to the language of the healthcare industry, and will impact physicians, facilities, clearinghouses, technology vendors, labs, and other service providers.

Providers will see an impact on their medical record documentation systems, supporting business processes, everyday coding practices, policies and procedures, in addition to potential reimbursement impacts.

Vendors will be expected to comply with the mandate, as well. Their software and interfaces that send, receive, and/or process ICD codes will require remediation and testing. This may include additional product releases as well as updates to existing interfaces. Additional testing between Blue Shield of California and external vendors may be required to ensure seamless continuation of business processing.
5. **What should institutions, physicians, and other healthcare professionals do to prepare for ICD-10?**

Use the resources available online and in training materials from government and professional organizations to educate yourself and your office staff about ICD-10 compliance requirements and watch for updates.

- Review your organization’s clinical documentation procedures to assess whether increased specificity in codes will be supported.
- Contact your clearinghouse and ask for recommendations on steps to becoming ICD-10 compliant and conduct tests with the clearinghouse to test code validity.
- Ask your practice management software vendor about plans to convert to an ICD-10 compliant version. Please be aware that there may be a cost and lead time associated with upgrading your software.

6. **Will the transition to ICD-10 require a revision to my organization’s contract with Blue Shield?**

There is a possibility that your organization’s contract with Blue Shield will require remediation if ICD codes are present in your current contract. Blue Shield has identified the impacted contracts listing specific ICD-9 codes and will require an amendment to include the corresponding ICD-10 codes.

7. **What if I use CPT codes?**

Current Procedural Terminology (CPT) will continue to be the HIPAA standard code set for filing either inpatient and/or outpatient claims for professional services (services billed on a CMS-1500 form).

ICD-10-PCS (Procedure Coding System) is the HIPAA standard code set that will replace Volume 3 of ICD-9 for inpatient facility services billed on a UB-04 claim form. ICD-10-PCS identifies such services by emphasizing the allocation of hospital services instead of focusing on the professional services.

ICD diagnosis codes are required on both standard claim forms and EDI 5010-compliant transactions (278 and 837), so all claims are expected to be affected by the transition from ICD-9 to ICD-10.

8. **Is there a standard for mapping between ICD-9-CM and ICD-10-CM and ICD-10-PCS?**

Centers for Medicare & Medicaid Services provided General Equivalence Mappings (GEMs) that were referenced by Blue Shield as a starting point for assessing and updating systems and procedures to utilize ICD-10 code sets.

Clinical equivalence and the intent of medical policies is the primary consideration of Blue Shield for individual applications of ICD-10 codes.
9. How is Blue Shield preparing for the transition to the ICD-10?

In 2010, Blue Shield assessed the impact of the ICD changes on our systems and policies for the commercial and Medicare claims we administer. We are in the process of modifying those systems. Following are some key statements about Blue Shield’s approach to transitioning to ICD-10:

- Blue Shield is basing the contract revisions on the GEMS reimbursement maps provided by CMS. The GEMS user guides and summary documents are available on the Centers for Medicare & Medicaid Services (CMS) website, [www.cms.gov/icd10/](http://www.cms.gov/icd10/).

- Our pricing system is being fully remediating to price claims based on the submitted ICD-10 codes. Where applicable, it will be configured based on the updated contracts that will contain ICD-10 codes. We will not be “down-converting” claims to ICD-9 for purposes of reimbursement or pricing. The underlying processes by which those contracts are administered will remain the same except for the addition of the new codes.

- Medical policies with ICD-9 codes will be remediating with the appropriate ICD-10 codes prior to the compliance date of October 1, 2015. Blue Shield policies are typically refreshed every two years. The refresh cycle will encapsulate the ICD-10 changes. Updates will follow Blue Shield’s standard communication methods for policy updates.

**Authorizations**

Beginning in early August, Blue Shield will accept authorization requests with ICD-10 codes for inpatient or outpatient care with dates of service that begin on or after 10/1/2015.

Blue Shield’s current ICD-9 authorization request form will be modified to allow entry of either ICD-9 or ICD-10 fields. You should enter ICD-9 diagnosis codes or ICD-10 diagnosis codes (never combine ICD-9 codes and ICD-10 codes on the same authorization request form). The revised forms will become available online at blueshieldca.com/provider beginning in early August.

After 10/1/2015, the authorization request form will be updated to contain only the ICD-10 code field.

10. Can you accept authorization requests before 10/1/2015 with ICD-10 codes for inpatient or outpatient services that will span the 10/1/2015 implementation date?

No, we cannot accept authorization requests with ICD-10 codes for dates of service that begin before 10/1/2015, regardless of whether the dates of service continue after 10/1/2015. Submit only ICD-9 diagnosis codes for all dates of service that begin before 10/1/2015. The authorization will remain valid after 10/1/2015.
11. If I have already obtained an authorization for inpatient or outpatient services that will begin before 10/1/2015 and continue after 10/1/2015, do I have to get separate authorizations with different code sets for “before” and “after” the implementation date?

No, the authorization you obtained with ICD-9 codes will remain valid after 10/1/2015.

- For inpatient services, please note, however, that the resulting claim for inpatient services with a discharge date on or after 10/1/2015 must contain only ICD-10 codes, since the coding for the claim is based on the discharge date.

- For outpatient services, the claims you submit later must be split. ICD-9 codes must be used for outpatient services provided through 9/30/15. ICD-10 codes, on a separate claim, must be used for services provided 10/1/2015 or after that date.

**Claims**

Blue Shield will follow CMS’ guidelines for claims with dates of service that span the October 1, 2015 implementation date. Please refer to the [CMS guidelines](https://www.cms.gov) for those details on non-Medicare claims. Some of the CMS guidelines are reflected in our responses to these FAQs:

12. Will Blue Shield be ready to accept ICD-10-CM and ICD-10-PCS codes by October 1, 2015?

Yes. We are committed to ensuring that our systems, supporting business processes, policies and procedures successfully meet implementation standards and deadlines without interrupting day-to-day business practices.

13. Will Blue Shield accept claims with ICD-10-CM or ICD-10-PCS codes prior to October 1, 2015?

No. Claims with dates of service and/or discharge dates prior to October 1, 2015, must be filed using the appropriate ICD-9 codes.

14. Will Blue Shield accept both ICD-9 codes and ICD-10 codes after the October 1, 2015 implementation date?

One claim cannot contain both ICD-9 codes and ICD-10 codes and the code set used is contingent on the claim submitted. Please refer to the [CMS guidelines](https://www.cms.gov) referenced above.

15. For patients admitted prior to 10/1/2015 (with an ICD-9-coded authorization) and discharged on or after 10/1/2015, which code set should be used for the claim?

The code set for these inpatient services (Part A) should be applied according to the discharge date. In the scenario represented above, the claim must be submitted with ICD-10 and ICD-10 codes only, regardless of authorization having been obtained with ICD-9 codes before 10/1/15.
16. For patients undergoing a series of outpatient services that span the implementation date, should I bill for the entire series of services using ICD-9 codes?

No, the claims must be split, regardless of the ICD-9 authorization obtained prior to 10/1/15 which remains valid after 10/1/15 for the entire series of services:
- For DOS provided through 9/30/2015, a claim must be submitted with ICD-9 codes.
- For DOS provided on or after 10/1/2015, a separate claim must be submitted with ICD-10 codes.

17. Which code set should be applied to interim bills for extended inpatient stays that span the 10/1/15 implementation date?

- You should use the “through” date to decide whether to apply the ICD-9 or ICD-10 codes. You should never use both ICD-9 and ICD-10 codes in the same claim.
- If your patient is admitted on 8/25/15 and you are sending the first interim bill to cover services through 9/25/15, you would use ICD-9 codes for that period because the “through date” is prior to 10/1/2015.
- If you send the next interim bill on 10/25/15 for the services provided through that date, you will need to use all ICD-10 codes, since the “through date” is AFTER 10/1/15.

18. Which code sets should we use when submitting claims for an overnight observation that spans the 10/1/2015 date?

Use the same “through date” rules that you would use for interim billing. If the patient is discharged on or after 10/1/2015, after spending the night for observation, use only ICD-10 codes in the claim.

19. Which code set should we use when submitting claims for emergency services that span the 10/1/2015 date?

Use the same “through date” rules that you would use for interim billing. If the patient is discharged on or after 10/1/2015, after spending the night in the Emergency Room, use only ICD-10 codes in the claim.

20. What if my facility or practice is not ready by 10/1/2015 to submit ICD-10 claims? Will Blue Shield offer a “grace period” for the transition?

No, we are not able to offer a transition period. Claims that do not contain the right code set applicable to the dates of service will be denied.
21. What is Blue Shield’s timeline for ICD-10 preparation and implementation?

Here is a high-level view of our ICD-10 implementation timeline:

<table>
<thead>
<tr>
<th>Ongoing</th>
<th>Blue Shield facilitates ICD-10 contract remediation of service category reimbursement codes with providers, where applicable.</th>
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</thead>
<tbody>
<tr>
<td>March through September 2015</td>
<td>Blue Shield will conduct additional testing with selected facility providers.</td>
</tr>
<tr>
<td>June 2015</td>
<td>Blue Shield will provide an ICD-10 Coding Practice Tool for professional providers accessible via the ICD-10 Updates page at Provider Connection (blueshieldca.com/provider). Professional providers can use it, at no cost, to practice ICD-10 coding exercises based on scenarios that will compare results to other professionals’ uses of the ICD-10 codes. Please note that this is NOT a “testing” tool and it will not be connected to any actual claims. We will also offer access to online ICD-10 coding courses, provided by a third-party vendor, at no cost to network PPO professional providers through December 31, 2015. To inquire about the courses, send an email to <a href="mailto:crasupport@blueshieldca.com">crasupport@blueshieldca.com</a>.</td>
</tr>
<tr>
<td>August 2015</td>
<td>Blue Shield begins accepting authorization requests with ICD-10 codes for dates of service on or after October 1, 2015. The requests can be made on the modified authorization request forms that contain fields for ICD-10. The modified forms will become available at blueshieldca.com/provider during August.</td>
</tr>
<tr>
<td>October 1, 2015</td>
<td>Blue Shield accepts only ICD-10 compliant claims for outpatient dates of service on or after October 1, 2015.*</td>
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*The Centers for Medicare & Medicaid (CMS) has published instructions for when to use ICD-9 rather than ICD-10 codes during the transition, for claims with dates of service that span the October 1, 2015 implementation date.
ICD-10 Claims Testing with Blue Shield

22. Will Blue Shield offer testing opportunities prior to the October 1, 2015 compliance date?

Blue Shield has been testing selected network facilities during 2015 that met the criteria required for the testing process available this year. No additional testing will be conducted.

Background on testing decisions

Early in 2014 Blue Shield of California completed the ICD-10 remediation of its Electronic Data Interchange (EDI) system, claims systems and ancillary systems. We performed extensive internal testing to ensure we can properly process ICD-10 codes.

Upon completion of our internal testing we conducted limited external testing to ensure we can process claims containing valid ICD-10 codes and reimbursement according to contractual agreements, where codes are included in the contract.

From a systems processing perspective, our results were 100 percent successful. Claims were received from both clearinghouses and direct submitters and processed all the way through reimbursement. All claims which were of valid format were successfully received. All of these claims were successfully adjudicated. A small percentage of claims did not produce the expected reimbursement when they were adjudicated because the ICD-10 codes provided in the claims were incorrect for the procedure performed.

Based on these findings, we have chosen to focus our limited resources during 2015 on testing with selected hospitals for the purpose of aligning with our network providers on ICD-10 coding expectations and reimbursement as it is stipulated in each hospital’s agreement with Blue Shield.

We do not expect to perform general testing using additional ICD-10 claim submissions via EDI, or to implement “end-to-end” testing. We are already confident that Blue Shield is prepared to receive and process claims with valid ICD-10 codes.

Blue Shield contact information

23. How may I contact the ICD-10 readiness team at Blue Shield?

Please e-mail your inquiries to: ICD-10Project@blueshieldca.com.