Auditing ICD-10 Through the Lens of Education

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The complex and sophisticated nature of ICD-10-CM/PCS has increased both the intellectual demands on coding professionals and the importance of an educational approach to the audit process. On October 1, 2016 regular updates to ICD-10 will begin, marked by the introduction of over 5,500 new codes. October 1, 2016 also marks the end of Medicare's ICD-10 coding flexibility, during which time the Centers for Medicare and Medicaid Services (CMS) mandated that Medicare claims should be paid as long as the submitted code was in the proper code family that matched the clinical finding. Precise coding of claims will now be required.

Expansion of the code set, the end of Medicare's ICD-10 flexibility, and the complex nature of ICD-10 present challenges to the audit process. This article examines the role of coding audits in this evolving ICD-10 world.

Designing an Effective Audit

Effective coding compliance audits are designed to review the record as a whole and take into account the stakeholders involved in the creation of the medical record. They identify deficiencies that may impact revenue and data quality by focusing not only on incorrect coding but also data abstraction errors and gaps in provider documentation.

The CMS document entitled "Next Steps for Providers: Assessment and Maintenance Toolkit," offers considerations for coding audits in the hospital setting.[1]

These considerations include:

- Select high-risk cases to audit as well as cases for which there is a DRG shift between ICD-9 and ICD-10 to identify patterns of incorrect coding.
- Follow the entire workflow for each record type—inpatient, outpatient, same-day surgery, emergency department, and recurring accounts—including Medicare, Medicaid, and commercial cases.
- Review surgical procedures that need clusters of codes for accurate reporting (i.e., removal and replacement of joint prosthetics).
- Review high-risk and resource intensive DRGs to ensure accuracy.
- Review surgical cases to determine if surgical approach is reported correctly.

The following elements, many of which are borrowed from the pre-ICD-10 world, should also be considered in designing an effective coding compliance audit:

- Hospital-acquired conditions (HACs)
- Mortalities
- Patient safety indicators (PSIs)
- High-volume DRGs
- CC/MCC capture
- Program for Evaluating Payment Patterns Electronic Report (PEPPER) data
- Unspecified codes
- Present on admission (POA) indicators
- Severity of illness (SOI)/risk of mortality (ROM)

The Auditor's Role

The coding compliance auditor's role has taken on new dimensions due to ICD-10. Never before has the auditor played such a vital part in education of the coding workforce, assurance of data integrity, and success of the revenue cycle. The role of auditor has morphed into that of an individual who possesses the ability to effectively mentor and educate with the ultimate goal of empowering coding professionals to become their own subject matter experts through self-directed research.

The old saying "the way in which a message is delivered is often as important as the message itself" is particularly applicable to audit results. Everyone in the healthcare industry is relatively new to ICD-10. It is important to understand the ramifications of the fact that auditors interface with a coding workforce that has varying degrees of experience and education, and different learning styles. Auditors must deliver audit results in a manner that promotes dialogue and learning, and thereby encourages the coding professional's full engagement in the audit process.

The savvy auditor is skilled in the extraction and interpretation of audit data that will prove valuable in the identification of patterns and trends as well as coding and documentation best practices. Collaboration with HIM management on audit findings and deficiencies yields valuable learning opportunities for all involved parties. Since documentation specificity leads to correct coding, collaboration with clinical documentation improvement (CDI) initiatives is critical to the success of ICD-10. Coding audits can highlight documentation deficiency patterns which provide additional opportunities for CDI involvement in the audit process. The use of comprehensive coding audit software that provides detailed, in-depth analytical reports makes the auditor's complex job a bit easier.

Common ICD-10 Challenges

Based on a year's worth of audited data, the following are a selection of ICD-10 challenges:

- Documentation inconsistency
- Improper or unnecessary queries
- Insufficient documentation for assignment of ICD-10-PCS codes
- Discerning which specific operative documentation to use for assignment of ICD-10-PCS codes
- Understanding the coding of multiple procedures
- Selecting the correct root operation, such as replacement versus supplement on plastics cases for burn victims or patients with congenital facial/skull anomalies
- Selecting the correct approach: Open, percutaneous, or percutaneous endoscopic
- Not coding to the highest level of specificity despite supporting documentation
- A perennial favorite: Excisional vs. non-excisional debridement
- Staying abreast of all Coding Clinic updates and corrections
- Learning the ICD-10-CM/PCS Official Guidelines for Coding and Reporting

Reflecting on the ICD-10 Landscape

Reflection upon the ICD-10 landscape, one year post implementation, reveals the importance of education, collaboration, and mentoring in the audit process. When approached through the lens of education, ICD-10 audits can be transformative for the coding workforce and have far-reaching impact within the healthcare industry. As silos continue to disappear across healthcare, and the industry works together for the best possible outcomes, the words of Henry Ford resonate: "Coming together is a beginning; keeping together is progress; working together is success."

Note

[1] Centers for Medicare and Medicaid Services. "ICD-10: Next Steps for Providers—Assessment and Maintenance Toolkit." www.cms.gov/Medicare/Coding/ICD10/Downloads/ICD10NextStepsToolkit20160226.pdf.

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Article citation:
Land, Daniel. "Auditing ICD-10 Through the Lens of Education" *Journal of AHIMA* 87, no.10

(October 2016): 82-83.

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