Preparing Your Organization for a New Coding System (1998)

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ICD-10-CM and ICD-10-PCS are on their way. But what does this really mean?

The International Classification of Diseases, 10th edition, Clinical Modification (ICD-10-CM) is planned as the replacement for ICD-9-CM, volumes 1 and 2. ICD-10 was developed by the World Health Organization (WHO), owner and publisher of the classification. WHO has authorized the development of an adaptation of ICD-10 for use in the US for governmental purposes. All modifications to ICD-10 must conform to WHO conventions for the ICD. No modifications have been made to existing three-digit categories and four-digit codes, with the exception of title changes, which did not change the meaning of the category or code.

ICD-10-CM was developed following a thorough evaluation by a technical advisory panel and extensive additional consultation with physician groups, clinical coders, and others to assure clinical accuracy and utility. It is believed that the clinical modification represents a significant improvement over ICD-9-CM and ICD-10. The current draft of ICD-10-CM contains a significant increase in codes over ICD-10 and ICD-9-CM.

In *For the Record*, Amy Blum, RRA, of the National Center for Health Statistics, discussed other significant changes, including:

- codes that combine the diagnosis and symptom
- increased specificity in the alcohol and drug abuse, injury, and diabetes mellitus code ranges

Characteristic	**ICD-9-CM**	**ICD-10-CM** [1, 3]
Character type	Numeric, with only the letters V and E used	All codes are alphanumeric
Code length	Maximum of five digits	Maximum of six digits
Supplementary codes	V codes and E codes	None (incorporated into main code book)
Laterality (left vs. right)	No	Yes
Trimester	No	Yes
Structure of injuries	Wound type	Body part

Implementation of the final version of ICD-10-CM is not anticipated before October 2001, and new guidelines and training materials are in the works, Blum said.

The ICD-10, as developed by WHO, does not include a volume for procedures. The US government, in the form of the Health Care Financing Administration (HCFA), contracted with 3M Corporation to create a procedures volume to ICD-10, titled ICD-10-PCS. The objectives that guided ICD-10-PCS were:

- Completeness -- There should be a unique code for all substantially different procedures
- Expandability -- As new procedures are developed, the structure of ICD-10-PCS should allow them to be easily incorporated as unique codes
- Multiaxial -- ICD-10-PCS should have a multiaxial structure, with each code character having the same meaning within the specific procedure section and across procedure sections, to the extent possible

- Standardized terminology -- ICD-10-PCS should include definitions of the terminology used. While the meaning of specific words can vary in common usage, ICD-10-PCS should not include multiple meanings for the same term, and each term should be assigned a specific meaning

ICD-10-PCS has a multiaxial, seven-character, alphanumeric code. Each character can have up to 34 different values.[2] For further information on the structure and content of ICD-10-PCS, see "Development of the ICD-10 Procedure Coding System (ICD-10-PCS)" in the May 1998 *Journal of AHIMA*.

The Health Insurance Portability and Accountability Act (HIPAA) notice of proposed rule making, published May 7, 1998, in the *Federal Register*, indicated that the year 2001 was the target for implementing ICD-10-CM, but that no decision on a unified procedure coding system had been made yet. Alternatives to manual use of these classification systems should be considered seriously as both ICD-10-CM and ICD-10-PCS are quite large when printed.

Getting Started

October 2001 is not as far away as it sounds, so what is your organization doing to prepare? And looking beyond your organization, what should health information management professionals be doing to prepare?

Keeping Current
First and foremost, stay current on the status of the coding systems, as well as the anticipated release dates. Web sites to seek out other than this one include:

- http://aspe.os.dhhs.gov/ncvhs
- http://www.hcfa.gov/stats/icd10/icd10.htm
- http://www.cdc.gov/nchswww/about/otheract/icd9/abticd10.htm
- http://aspe.os.dhhs.gov/admnsimp (At this site, subscribe to the HIPAA-REGS listserv. It will notify you when documents related to the administrative simplification law are published.)

Preparing Non-HIM Employees
Second, educate non-HIM personnel in your organization about the impending changes. Everyone who currently uses ICD-9-CM in any way will be impacted by this change. Potential candidates include employees in senior management, utilization review, quality assurance, compliance, and most importantly, information services (IS).

Senior management is probably aware of HIPAA, although they may not be following the developments closely. It might be advisable to briefly review the legislation with them, paying particular attention to the section on code sets, particularly the implementation dates. A short overview of the differences between the code sets might be helpful to justify the next part of the presentation, which should include the time, effort, and resources required to implement the changes.

Utilization review, quality assurance, and compliance staff members also need to be aware of the upcoming changes. They need to know the differences, the impact upon their work, and the time frames involved in the coming changes. To bring it home to the departments, include information on how HIM can help their office in the transition.

The presentation to IS will be vital. IS department members will be particularly interested in the specifications of the coding system and may want to address the following questions:

1. *How many digits?* ICD-10-CM has six characters, with a decimal point in the middle. ICD-10-PCS has seven characters.

2. *Is it alpha, numeric or a combination?* Both of the new systems are alphanumeric, though ICD-10-CM only uses alpha for the lead character, while PCS mixes alpha and numeric characters.

3. *Can it be obtained in a machine-readable form?* To date, the only distribution has been via the Internet (see the aforementioned Web sites).

4. *What coding systems will it replace and when will it replace them?* ICD-10-CM is slated to replace ICD-9-CM in October 2001, while a definite date for ICD-10-PCS has not been set.

It is essential that IS be made aware of these changes, as the department will have to implement them into a software application or an interface between two systems. A recommended step would be for HIM and IS to work together to identify all systems and software in which ICD-9-CM codes are currently used. Remember to check all computer applications, including anesthesia, emergency room, intensive care unit, etc. If internally developed software or interfaces have been used, IS will need to work these changes into its long-range plans.

IS also may need to be involved in developing a way for the organization to access accurate data for longitudinal studies. Areas such as finance and performance improvement run these on a regular basis for trending and other purposes. How will the system handle creating reports across the changeover date?

Outside Vendors
Third, if your facility utilizes commercial software, ensure that your software provider is keeping up with the announced changes. This is one area (like Year 2000) in which assuming someone else is fixing the problem has the potential to really damage the facility. Imagine the consequences if your vendor were not prepared and your facility could not submit claims or get reimbursed.

The Coding Connection
Fourth, HIM professionals will want to familiarize themselves with the coding systems and any new guidelines that have been developed. Because these systems code to a greater degree of specificity, the documentation must be examined to ensure that it is comprehensive enough to actually assign a code. If this is not the case, improving the documentation will need to be included in any clinician education programs.

Class Notes
The final critical area is the education budget -- for HIM and other impacted areas. Everyone will need some level of education, so begin planning for this now. Will you outsource it or try to do it internally? What are the costs and benefits of these two options? When will it need to be done? Who will need what level of training? You can use AHIMA resources to assist in your planning, as the Coding Policy and Strategy Committee is developing an education plan for the new coding systems. Watch the *Journal* and this Web site for further details.

It is virtually impossible to make changes of this magnitude without encountering some obstacles. However, bringing these issues to the attention of the organization early on enables everyone to plan and prepare, thus minimizing problems.

Notes

1. Elise Chidley. "ICD-10-CM Update." *For the Record* 10, no. 7 (1998): 26-29.

2. Richard F. Averill, et al. "Development of the ICD-10 Procedure Coding System (ICD-10-PCS)." *Journal of AHIMA* 69, no. 5 (1998): 65-72.

3. Lenore M. Whalen. "ICD-10-CM Update." *Journal of AHIMA* 69, no. 2 (1998) 61-64.

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