What Ophthalmologists Need to Know About Medicare and Coding

Illinois Society of Eye Physicians and Surgeons
Chicago Ophthalmological Society
Annual Joint Meeting
March 7, 2014

Presented by
Joy Newby, LPN, CPC, PCS
Newby Consulting, Inc.
5725 Park Plaza Court
Indianapolis, IN 46220
Voice: 317.573.3960
Fax: 866-631-9310
E-mail: help@joynewby.net

This presentation was current at the time it was published and is intended to provide useful information in regard to the subject matter covered.

Newby Consulting, Inc. believes the information is as authoritative and accurate as is reasonably possible and that the sources of information used in preparation of the manual are reliable, but no assurance or warranty of completeness or accuracy is intended or given, and all warranties of any type are disclaimed.

The information contained in this presentation is a general summary that explains certain aspects of the Medicare Program, but is not a legal document. The official Medicare Program provisions are contained in the relevant laws, regulations, and rulings.

Any five-digit numeric Physician's Current Procedural Terminology, Fourth Edition (CPT) codes service descriptions, instructions, and/or guidelines are copyright 2013 (or such other date of publication of CPT as defined in the federal copyright laws) American Medical Association.

Agenda

• ICD-10 - Are we close to being ready?

International Classification of Diseases, Tenth Revision (ICD-10)

• ICD-10-CM
  – The diagnosis code set that will replace ICD-9 CM Volumes 1 and 2
  – Used to report diagnoses in all clinical settings
• ICD-10-PCS
  – Used for facility charges for hospital inpatient procedures
  – Not used for professional charges
    • ICD-10-PCS DOES NOT replace CPT and HCPCS

International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM)

• Effective for dates of service on and after October 1, 2014
  – ICD-9-CM continues to apply to all dates of service on or before September 30, 2014
• Workers’ Compensation, Liability Insurers
  – Not covered entities
  – Are not required to convert from ICD-9 to ICD-10
• Plan to maintain both ICD-9 and ICD-10 for a minimum of 1 year
Consistent with ICD-9

- Code to the highest level of specificity
- Code to the greatest extent known at the time of the encounter
  - Do not use unspecified codes when more specific codes are available.
  - Be very careful developing "quick pick" lists in your EHR
- Do not code from ICD-10 Volume 2 (Index)
- Decimals are not included when reporting diagnosis code on claim form

Notable Changes in ICD-10 Coding

- All codes begin with alpha character
- Length of codes – maximum of 7 characters
  - May require insertion of place holders ("x" or "X") when 4-, 5-, 6-digit codes require additional digits for clarification
- Requires greater specificity in code assignment
  - ICD-10 has more codes to describe services
    ✓ Incorporates laterality
    ✓ Creates combination diagnosis/symptom codes to reduce number of codes needed to fully describe a condition
    ✓ Expanded injury codes
    ✓ Encounter
    ✓ Activity
    ✓ Place of Occurrence

Comparison ICD-9 with ICD-10

<table>
<thead>
<tr>
<th>ICD-9-CM</th>
<th>ICD-10-CM</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 to 5 digit codes</td>
<td>3 to 7 alpha numeric characters</td>
</tr>
<tr>
<td>Letters V and E</td>
<td>All letters except U</td>
</tr>
<tr>
<td>14,567+ ICD-9-CM</td>
<td>69,832 + ICD-10-CM</td>
</tr>
<tr>
<td>Greater Specificity</td>
<td></td>
</tr>
</tbody>
</table>

15,000 ICD-9-CM Codes
70,000 ICD-10-CM Codes

- A large number of ICD-10-CM codes only differ in one parameter.
  - More than one third of the ICD-10-CM codes are the same except for indicating laterality
  - Thousands of other codes differ only in the way they distinguish among "initial encounter" versus "subsequent encounter" versus "sequelae."

Greatest Challenge?
Medical record documentation

INSUFFICIENT DIAGNOSTIC STATEMENTS

Ophthalmic Diagnoses

- Chapter 7 Diseases of the eye and adnexa (H00-H59) - Categories
  - H00-H05 Eyelid, lacrimal system and orbit
  - H10-H11 Conjunctiva
  - H15-H22 Sclera, cornea, iris, and ciliary body
  - H23-H28 Lens
  - H30-H36 Choroid and retina
  - H40-H42 Glaucoma
  - H43-H44 Vitreous body and globe
  - H46-H47 Optic nerve and visual pathways
  - H49-H52 Ocular muscles, binocular movements, accommodation and refraction
  - H53-H54 Visual disturbances and blindness
  - H55-H57 Other disorders of eye and adnexa
  - H59 Intraoperative and postprocedural complications and disorders of eye and adnexa, not elsewhere classified
Ophthalmic Diagnoses Cont’d

- Certain infections and parasitic diseases (A00-B99)
- Congenital malformations, deformities, and chromosomal abnormalities (Q00-Q99)
- Diabetes mellitus, related eye conditions (E09.3-, E10.3-, E11.3-, E13.3-)
- Endocrine, nutritional, and metabolic diseases (E00-E90)
- Injury, poisoning, and certain other consequences of external causes (S00-T98)
- Neoplasms (C00-D48)
- Symptoms, signs, and abnormal clinical and laboratory findings, not elsewhere classified (R00-R94)
- Syphilis related eye disorders (A50.01, A50.3-, A51.43, A52.71)

Laterality

- Affected eye may be included in the code description
  - H25.10 Age-related nuclear cataract unspecified eye
  - H25.11 Age-related nuclear cataract right eye
  - H25.12 Age-related nuclear cataract left eye
  - H25.13 Age-related nuclear cataract bilateral

- Diagnosis for each eye will be reported as applicable
  - H25.12 Age-related nuclear cataract left eye
  - H25.011 Cortical age-related cataract right eye

Combination Codes

E11.339 Type 2 diabetes mellitus with moderate nonproliferative diabetic retinopathy without macular edema

H40.11X2 Primary open-angle glaucoma, moderate stage

Note place holder “X” required because 5-digit code requires 7th digit to note the glaucoma stage

Specificity - Nonproliferative Diabetic Retinopathy

- Mild: Microaneurysms
- Moderate: Blood vessels become blocked
- Severe: More blood vessels are blocked and the retina senses the need for new blood vessels to grow and supply oxygen

Specificity – Glaucoma Severity

- Stage Unspecified
- Mild Stage: optic nerve changes consistent with glaucoma but no visual field abnormalities on any visual field test or abnormalities present only on short-wavelength automated perimetry or frequency doubling perimetry.
- Moderate Stage: optic nerve changes consistent with glaucoma and glaucomatous visual field abnormalities in one hemifield but not within 5 degrees of fixation.
- Severe Stage: optic nerve changes consistent with glaucoma and glaucomatous visual field abnormalities in both hemifields and/or loss within 5 degrees of fixation in at least one hemifield.
- Indeterminate stage: visual field testing has not been performed

Injury Codes with Encounter Description, Activity, and Place of Occurrence

- Diagnostic statement for injuries should include
  - Diagnosis related to injury
  - Activity - What the patient was doing when the injury occurred
  - Place of occurrence - Where the patient was when the injury occurred
Injury Codes with Encounter Description, Activity, and Place of Occurrence Cont’d

- **S05.01** Injury of conjunctiva and corneal abrasion without foreign body, right eye
  - 5 Digit code requires 7th digit
  - Coder must insert placeholder “x” or “X” as needed to complete code to describe the service
  - 7th digit indicates
    - **A**: Initial encounter
    - **D**: Subsequent encounter
    - **S**: Sequela

- Typically, physician diagnostic statement will need to specify encounter
  - Initial encounter for evaluation of a corneal abrasion right eye without foreign body
    - ICD-10 = S05.01xA

Injury Codes with Encounter Description, Activity, and Place of Occurrence Cont’d

- **Activity** (Main term in ICD-10-CM Index to External Causes)
  - What the patient was doing when the injury occurred
    - Playing with dog
      - Y93.k9 Other activity involving animal care
    - Brushing hair
      - Y93.e8 Other personal hygiene activity

Injury Codes with Encounter Description, Activity, and Place of Occurrence Cont’d

- **Place of Occurrence** (Main term in ICD-10-CM Index to External Causes)
  - Where the patient was when the injury occurred
    - At home in yard – (single family house) Y92.017
    - Dog park – (public park) Y92.830
    - Hotel – (Other trade areas) Y92.59

Injury Codes with Encounter Description, Activity, and Place of Occurrence Cont’d

- Corneal abrasion right eye while playing with dog at home in the yard – Initial encounter
  - S05.01xA (Injury of conjunctiva and corneal abrasion without foreign body, right eye, initial encounter)
  - Y93.k9 (activity: playing with dog)
  - Y92.017 (place of occurrence: single family residence in yard)

Which Eyelid?

- Hordeolum and chalazion
  - Hordeolum externum
  - Hordeolum internum
  - Abscess of eyelid
  - Chalazion

- Inflammation of eyelid
  - Blepharitis Ulcerative
  - Blepharitis Squamous
  - Allergic Dermatitis
  - Discoid lupus erythematosus
  - Eczematous dermatitis
  - Xeroderma
Cornea – Specify Eye

• Corneal Ulcer
  – Central corneal ulcer
  – Ring corneal ulcer
  – Corneal ulcer with hypopyon
  – Marginal corneal ulcer
  – Moore’s corneal ulcer
  – Myotic corneal ulcer
  – Perforated corneal ulcer

• Corneal Edema
  – Corneal edema secondary to contact lens
  – Idiopathic corneal edema
  – Secondary corneal edema

Cataract – Specify Eye

• Age-related cataracts
  – Cortical
  – Anterior subcapsular polar
  – Posterior subcapsular polar
  – Other age-related incipient
  – Age-related nuclear
  – Age-related cataract, morgagnian
  – Combined forms of age-related cataract

• Traumatic Cataract
  – Localized traumatic opacities
  – Partially resolved traumatic
  – Total traumatic

• Complicated Cataract
  – Cataract with neovascularization
  – Cataract secondary to ocular disorders (degenerative, inflammatory)

Cataract – Specify Eye Cont’d

• Glaucomeotous flecks (subcapsular)
• Drug-induced cataract
• Other specified cataracts
• Infantile and juvenile cataract
  – Cortical, lamellar, or zonular cataract
  – Nuclear
  – Anterior subcapsular polar
  – Posterior subcapsular polar
  – Combined forms

Cataracts/Lens Disorders – Specify Eye

• Secondary cataract
  – Soemmering’s ring
  – Other secondary cataract
• Other specified cataracts
• Aphakia
• Dislocation of lens
  – Subluxation of lens
  – Anterior dislocation of lens
  – Posterior dislocation of lens
  – Other specified disorders of lens

Retinal Detachments and Breaks – Specify Eye

• Retinal detachment with single break
• Retinal detachment with multiple breaks
• Retinal detachment with giant retinal tear
• Retinal detachment with retinal dialysis
• Total retinal detachment
• Cyst of ora serrata
• Parasitic cyst of retina
• Other retinoschisis and retinal cysts
• Serious retinal detachment
• Horseshoe tear of retina without detachment
• Round hole of retina without detachment
• Multiple defects of retina without detachment
• Traction detachment

Paralytic Strabismus – Specify Eye

• Third (oculomotor) nerve palsy
• Fourth (trochlear) nerve palsy
• Sixth (abducent) nerve palsy
• Total (external) ophthalmoplegia
• Progressive external ophthalmoplegia
• Kearns-Sayre syndrome
• Other paralytic strabismus
Other Strabismus – Specify Eye

- Monocular esotropia
- Monocular esotropia with A pattern
- Monocular esotropia with V pattern
- Monocular esotropia with other noncomitancies
- Alternating esotropia
- Alternating esotropia with A pattern
- Alternating esotropia with V pattern

Disorders of Refraction and Accommodation – May Need to Specify Eye

- Hypermetropia
- Myopia
- Irregular astigmatism
- Regular astigmatism
- Anisometropia
- Aniseikonia
- Presbyopia
- Internal ophthalmoplegia (complete)
- Paresis of accommodation
- Spasm of accommodation
- Other disorders of refraction

Subjective Visual Disturbances – Specify Eye

- Day blindness
- Transient visual loss
- Sudden visual loss
- Visual discomfort (Asthenopia, Photophobia)
- Visual distortions of shape and size
- Psychological visual disturbances
- Other subjective visual disturbances (e.g., visual halos)

Visual Field Defects

- Scotoma involving central area – Specify Eye
- Scotoma of blind spot area – Specify Eye
- Sector or arcuate defects – Specify Eye
- Other localized visual field defect – Specify Eye
- Homonymous bilateral field defects
  - Right side
  - Left side
- Generalized contraction of visual field – Specify Eye

Intraoperative and Postprocedural Complications and Disorders of Eye and Adnexa

- Keratopathy (bullous aphakic) following cataract surgery – Specify Eye
- Cataract (lens) fragments in eye following cataract surgery – Specify Eye
- Cystoid macular edema following cataract surgery – Specify Eye
- Other disorders following cataract surgery – Specify Eye
- Intraoperative hemorrhage and hematoma of eye and adnexa complicating ophthalmic procedure – Specify Eye
- Intraoperative hemorrhage and hematoma of eye and adnexa complicating other procedure – Specify Eye
- Accidental puncture and laceration of eye and adnexa during an ophthalmic procedure – Specify Eye
- Accidental puncture and laceration of eye and adnexa during other procedure – Specify Eye

Intraoperative and Postprocedural Complications and Disorders of Eye and Adnexa Cont’d

- Postprocedural hemorrhage and hematoma of eye and adnexa following an ophthalmic procedure – Specify Eye
- Postprocedural hemorrhage and hematoma of eye and adnexa following other procedure – Specify Eye
- Inflammation (infection) of postprocedural bleb – Specify Stage
- Chorioretinal scars after surgery for detachment – Specify Eye
- Other intraoperative complications of eye and adnexa, not elsewhere classified
Other Diagnostic Statements

- Acquired absence of eye (Z90.01)
- Presence of artificial eye (Z97.0)
- Presence of intraocular lens (Z96.1)
- Corneal transplant status (Z94.7)
- Filtering (vitreous) bleb after glaucoma surgery status (Z98.83)
- Long term (current) use of anticoagulants (Z79.01)
- Long term (current) use of systemic steroids (Z79.52)
- Other long term (current) drug therapy (Z79.899)
- Family history of blindness and visual loss (Z82.1)
- Family history of glaucoma (Z83.511)
- Family history of other specified eye disorder (Z83.518)
- Encounter for observation for suspected adverse effect from drug (Z03.6)

Routine Eye Exam

- Z01.00 Encounter for examination of eyes and vision without abnormal findings
- Z01.01 Encounter for examination of eyes and vision with abnormal findings
- Z02.4 Encounter for examination for driving license
- Z13.5 Eye screening

Signs, Symptoms, Abnormal Findings

- A sign or symptom code is not to be used as a principal diagnosis when a definitive diagnosis for the sign or symptom has been established.
- Use sign or symptom code when no definitive diagnosis is established at the time of coding.
- Sign or symptom code should be used with a confirmed diagnosis if the symptom is not always associated with that diagnosis, e.g., complex syndromes.

Principal or First Listed Diagnosis

- Selection of principal diagnosis/first listed code is based on the conventions in the classification that provide sequencing instructions.
  - Code First
  - Use Additional Code Notes
  - See
  - See Also
- If no sequencing instructions apply, sequencing is based on the condition that brought the patient into the hospital or physician’s office
  - REASON for the encounter (MATCH chief complaint)

Selection of Secondary Diagnoses

- Additional conditions or reasons for the encounter also need to be coded.
- Additional conditions that receive treatment also need to be coded.
- Diagnosis that relates to an earlier episode that has no bearing on the current encounter should be excluded.

Be Wary of Built-in ICD-9 to ICD-10 Crosswalk

- Carefully verify how the vendor intends to create the crosswalk
  - Some diagnostic statements are a one-to-one match between ICD-9 and ICD-10 codes
  - Some diagnostic statements have multiple ICD-10 codes when there was only one ICD-9 code
  - Some diagnostic statements require multiple ICD-9 codes but only one ICD-10 code
General Equivalence Mapping (GEM)

- CMS crosswalk between ICD-9 and ICD-10
  - Forward crosswalk - ICD-9 to ICD-10
  - Backward crosswalk - ICD-10 to ICD-9
- For most physician practices, GEMs will be of limited use and may not be appropriate since coding should occur directly to ICD-10 based on actual clinical documentation.
  - GEMs can be helpful in validating your coding practices to help identify some codes in ICD-10 relative to existing ICD-9 for the purpose of training and validation but should not be relied on as the complete and final answer.

Auditing, Fraud and Abuse

- Audits of all types are increasing in depth and breadth
- After the transition to ICD-10, the increase in detail and specificity will result in greater examination of documentation
- Your practice should perform regular audits on clinical documentation during the post-implementation stabilization period

What Now?

- Steps you can take to ensure a smooth transition to ICD-10.
  - Acceptance
    - ICD-10 implementation on October 1, 2014
    - Plan training schedule
    - Requirement to document complete diagnostic statements – Begin practicing ASAP
    - Costs involved with ICD-10 implementation
      - Reference Materials – (AAO ICD-10 Coding for Ophthalmology and ICD-10 Code Book)
      - Staff training
      - Vendor costs to updated both practice management system and EHR

Transition Plan

- Have a transition plan in place that includes the dates that milestones will be achieved
  - Assessment of functional needs
  - Duplicate Coding (I-9 for reimbursement; I-10 for training)
  - Vendor - ICD-10 availability for training
  - Conduct test transactions using ICD-10 codes with your payers and clearinghouses
  - Continuously monitor vendor and payer preparedness, identify and address gaps
  - Establish an emergency fund to cover unexpected costs and possible reimbursement delays

Thanks for inviting me!