ICD-10 Guidance Document

NewYork-Presbyterian

Capturing ICD-10 Diagnosis Codes for Financial Clearance

A NewYork-Presbyterian Hospital guidance document for the healthcare industry mandated transition to the ICD-10 diagnosis (CM) and procedure (PCS) coding system effective October 1, 2015.

1. Statement of Purpose/ Critical Success Factors

The purpose of this guidance document is to provide direction as to how operating owners can ensure ICD-10 codes are properly collected, determined, and assigned to encounters so as to support effective financial clearance activity during the ICD-10 transition period. The ICD-10 transition period for purposes of this guidance is generally defined as September 1, 2015 through November 30, 2015.

Financial clearance, independent of ICD-10 is a requisite and valuable part of increasing the likelihood of accurate and timely payment for the high quality healthcare services NYP provides. Insurance verification, insurance authorization, medical necessity screening and its associated upstream operating and revenue cycle procedures of scheduling and pre-registration typically involve the collection and use of many different data elements including ICD-9/ICD-10 diagnosis codes. Provision of these codes to third party insurance carriers allow for the efficient approval of healthcare services to our patients, ensuring smooth patient flow at the time of registration and treatment and supporting subsequent billing and payment. Failure to capture accurate codes supporting the medically necessary provision of services can lead to delays in treatment and denial of healthcare claims

The following readiness guidance is provided as a general means to navigate the operating idiosyncrasies that are likely to manifest during the course of the transition period and mitigate some of the short-term risks associated with the implementation of ICD-10. Given the complexity, diversity and sheer number of portals to entry throughout NYP, it is possible that this guidance may not cover the full spectrum of scenario and circumstance within each individual department. As such, it is expected that such guidance provide a general awareness of the requirements and desired outcomes. Management should leverage their unique understanding of their respective operating areas to apply approaches and methods to meet the requirements and achieve those desired outcomes.

2. Statement of Guidance

It is the intent of NewYork-Presbyterian Hospital to transition to the industry mandated ICD-10 diagnostic and procedure coding system on October 1, 2015. Effective for said dates of service/discharge, NYP shall be required to submit medical claims for consideration of payment by third party insurance carriers with applicable ICD-10 diagnosis and procedure (as applicable) codes. Supporting that consideration of payment requires that the necessary and requisite front-end revenue cycle and administrative activities are similarly performed with consideration for and in alignment with the aforementioned date of service sensitivity. Such front-end activities typically include: scheduling, pre-registration, insurance verification and authorization, and medical necessity screening, and registration.

Effective for calendar date September 1, 2015, it is expected that service lines and operating areas that own or otherwise bear the responsibility for scheduling, pre-registration, and financial clearance procedures work collaboratively with upstream data providers to collect, determine, and/or assign accurate ICD-10 codes as applicable and defined below. A healthcare encounter can include the provision of any level of medical service provided in an inpatient, ambulatory surgery, emergency, hospital-based clinic, therapeutic referred ambulatory (e.g. – physical/occupational therapy, chemotherapy, behavioral health, etc) or diagnostic referred ambulatory (e.g. – laboratory, radiology, etc.) setting (collectively known as 'outpatient'). As the transition to ICD-10 is defined by the date of service/discharge date, scenario-specific guidance for the provision of ICD-10 codes during patient access including financial clearance procedures is as follows:

Inpatient

- *Elective inpatient services scheduled (i.e. – admitted) on or after October 1, 2015*. Practices, physician groups, and other entities referring and scheduling patients for inpatient services to be provided (i.e. – admitted) on or after October 1, 2015 shall require ICD-10 diagnosis code for purposes of performing financial clearance activity that may include insurance authorization and/or medical necessity screening.
- *Elective inpatient services scheduled for admission prior to October 1, 2015*. Any hospital inpatient encounter scheduled for admission between September 23, 2015 and September 30, 2015 presents a 'material likelihood' of being discharged after October 1, 2015. As such, it is generally expected that applicable departments and entities secure both an ICD-9 and ICD-10 diagnosis code for purposes of financial clearance activity that may include insurance authorization and medical necessity screening.
- *Unscheduled inpatient services admitted to an inpatient setting prior to October 1, 2015*. Any urgent, emergent, or otherwise unscheduled admission between September 23, 2015 and September 30, 2015 presents a 'material likelihood' of being discharged after October 1, 2015. As such, it is generally expected that applicable departments and entities secure both an ICD-9 and ICD-10 diagnosis code for purposes of financial clearance activity that may include insurance authorization and medical necessity screening.

Ambulatory Surgery

- *Elective ambulatory surgery services scheduled on or after October 1, 2015*. Practices, physician groups, and other entities referring and scheduling patients for ambulatory surgery services to be provided (i.e. – admitted) on or after October 1, 2015 shall require ICD-10 diagnosis code for purposes of performing financial clearance activity that may include insurance authorization and/or medical necessity screening.
- *Elective ambulatory surgery services scheduled for admission prior to October 1, 2015*. Any hospital ambulatory surgery encounter scheduled for September 30, 2015 presents a 'material likelihood' of being discharged after October 1, 2015. As such, it is generally expected that applicable departments and entities secure both an ICD-9 and ICD-10 diagnosis code for purposes of financial clearance activity that may include insurance authorization and medical necessity screening.
- *Unscheduled ambulatory surgery services prior to October 1, 2015*. Any urgent, emergent, or otherwise unscheduled ambulatory surgery performed on September 30, 2015 presents a 'material likelihood' of being discharged after October 1, 2015. As such, it is generally expected that applicable departments and entities secure both an ICD-9 and ICD-10 diagnosis code for purposes of financial clearance activity that may include insurance authorization and medical necessity screening.

Emergency

- Urgent and emergent services provided in any NYP Emergency Department are typically excluded from financial clearance activities. Such services that result in ambulatory surgery and/or inpatient admission shall follow guidelines for those services at set forth in this guidance document.

Hospital-based clinic *aka HBC*

- *Hospital-based clinic services scheduled on or after October 1, 2015*. Generally speaking, insurance carriers typically do not require insurance authorization and/or a diagnosis code to authorize HBC services. However, and as applicable, practices, physician groups, and other entities referring and scheduling patients for hospital-based clinic services to be provided (i.e. – admitted) on or after October 1, 2015 shall require

ICD-10 diagnosis code for purposes of performing financial clearance activity that may include insurance authorization and/or medical necessity screening.

Therapeutic Referred Ambulatory aka TRA (e.g. – Physical/occupational therapy, chemotherapy, behavioral health, etc)

- *Therapeutic Referred Ambulatory services scheduled on or after October 1, 2015*. TRA services for which appointments have been scheduled prior to October 1, 2015 and that which will be provided on or after October 1, 2015 shall require an ICD-10 code for financial clearance activities

Diagnostic Referred Ambulatory *aka DRA* (e.g. – laboratory, radiology, etc)

- *Diagnostic Referred Ambulatory services scheduled on or after October 1, 2015*. DRA services for which appointments have been scheduled prior to October 1, 2015 and that which will be provided on or after October 1, 2015 shall require an ICD-10 code(s) for financial clearance activities.

This guidance additionally applies to any patient encounters for which appointments have been scheduled prior to September 1, 2015 if the scheduled appointment is to occur after October 1, 2015.

All applicable ICD-10 diagnosis codes that may be used as part of the financial clearance procedure shall be recorded in the usual and customary locations and fields and/or any newly added or identified locations and fields implemented as part of the specific application's ICD-10 readiness efforts. This includes the requisite scheduling applications (e.g. – OR Manager, Soarian, ImageCast, etc.) and the Eagle registration system. It is generally recognized that there are varying degrees of interoperability between each of these applications and such interoperability may support the interface of ICD-9 codes only, ICD-10 codes only, or both ICD-9 and ICD-10 codes. Impacted areas should leverage their unique understanding of such idiosyncrasies to ensure ICD-10 codes are recorded appropriately for purposes of financial clearance activity. In the event that application specific functionality prevents the recording of necessary ICD-10 codes, it is generally considered an acceptable and appropriate practice to record the ICD-10 code in a comment or note function for that application (e.g. – Eagle GNE).

3. Audience & Applicability

This guidance applies to all leadership, management and staff who assume, own, or otherwise bear the responsibility for financial clearance activities for NYP healthcare encounters and/or supply the necessary data (i.e. – ICD codes) to such individuals and departments. This includes but may not necessarily be limited to scheduling staff, partnering physician offices, practices, and associated staff, admitting and registration entities and associated staff, and all other operating areas and associated staff that perform the applicable functions.

4. Standards

This guidance is intended to support the standardized financial clearance and insurance authorization protocols as defined by NYP, the revenue cycle, and/or the Outpatient Services Program (OSP) independent of the implementation of ICD-10.

5. Exclusions

There are no exclusions to this guidance at this time.

6. Definitions

ICD-10 CM/PCS – The International Classification of Diseases system developed by the World Health Organization and adopted by the United States for the purpose of codifying conditions and services provided to patients in the healthcare setting. As part of a federal mandate, all healthcare providers are required to transition from the 9th edition of the code set (i.e. – ICD-9-CM/PCS) to ICD-10 by October 1, 2015.

Financial Clearance – A revenue cycle procedure that includes a set of administrative activities intended to establish fiduciary expectations with a third party, the patient, or the patient's agent (e.g. – guardian) and to increase the likelihood of payment/compensation from those parties for the healthcare services provided.

7. Related Materials/Tools

Training aids for specific applications to which this guidance is applicable and tools to assist in the conversion of ICD-9 codes to equivalent ICD-10 codes shall be available on the NYP ICD-10 AnTENna website at http://nyplearningcenter.org/apps/eLearning/cms/icd10/.

8. Guidance Review Period

This guidance shall be reviewed and revised as necessary for the duration of the ICD-10 transition period previously defined.

9. Guidance Effective Date

This guidance is effective as of September 1, 2015.

10. Resources

Questions regarding the interpretation and/or implementation of this guidance may be directed to the Project Director for ICD-10 implementation or by e-mailing ICD-10Help@nyp.org. Additional information will be provided on the NYP ICD-10 AnTENna website at http://nyplearningcenter.org/apps/eLearning/cms/icd10/.