Provider Perspective on ICD-10 Testing with Payers

WEDI Webinar sponsored by
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Tampa General Hospital

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Tampa General Hospital

1,011 licensed beds – 1100+ physician affiliates – 7,000+ employees
Teaching hospital for USF Health Morsani College of Medicine
HIMSS Stage 7 Award - Magnet® designation
One of the busiest Transplant Center in the nation
Regional Referral Center for Highly Specialized Services
Objective: To share our testing experience and to discuss strategies for reduction of risk at the time of transition to the ICD-10 code set.

Agenda:
- Has Time Run Out for “Round Trip Testing”? 
- Our Payer Testing Experience & Lessons Learned 
- DRG Shift Testing – an Alternative to Payer Testing 
- Additional Steps to Reduce Risk
Has Time Run Out for Round Trip Testing?

We Think So! If providers have not already been talking with payers and received confirmation that they are included in the payer’s testing schedule, it is most likely too late. Note the following:

- A normal cycle of testing through the remit, requires a minimum of three months. If you are not already on the payer’s schedule to begin no later than April – May 2015, you won’t be able to finish before they have to move their resources to support the transition.
- Some clearinghouses have announced that they will be shutting down their support ICD-10 testing at the end of July 2015.
- The payers that we are testing with have already filled or are very close to filling all available slots for hospital testing.
- Our trading partners must gear up for the cutover which requires their resources to be focused on that, thus testing has to be called.
Engaged in payer testing since Fall of 2012.
Tested inpatient, outpatient and professional
Inpatient testing included root cause analysis of DRG shifts
All testing has compared ICD-9 to ICD-10 reimbursement calculations
Testing partners include:
- Florida Blue
- Humana
- Aetna
- Florida Medicaid
- United Healthcare
- Wellcare
- Medicare E2E
Testing is expected to run until the end of July 2015 with some analysis extending into August – September
Lesson Learned Payer Testing Experience

In the best of all worlds, you can’t test with every payer! We had to have an alternative!
If you haven’t been able to test with payers, don’t despair. DRG SHIFT TESTING done within your own environment can be almost as beneficial and there are even some added benefits!

– Assists us in understanding where our risks are
– Provides invaluable experience in completing those deep dive analytics needed to determine the root cause of DRG shifts (many valuable lessons are learned as part of this process)
– Supports identification of CDI shortfalls
– Identifies areas where additional training is needed
– Prepares us for payer initiated post-live audits
– Gives back additional time for meaningful testing that is not dependent on the payers
DRG Shift Testing

The Process:

- Use your own systems to identify potential DRG shifts
  - Identify high risk DRGs (high dollar, volume or complexity)
  - Select claims and create log for tracking results
  - Code claims with I-10 codes if not already dual coded
  - Regroup the encounter (no need to produce claim)
  - Compare the ICD-9 DRG to the ICD-10 DRG
  - If DRG is the same, log the result and move on
  - If DRG shifted, complete a “deep dive” audit to determine root cause of the shift and log results
  - Separate the Controllable from the Uncontrollable shifts
Root Cause Analysis

– Controllable Root Causes
  • Documentation does not support required specificity
  • Failure to code to specificity required in ICD-10
  • Incorrect designation of Principal Diagnosis

– Uncontrollable Root Causes
  • Greater procedure specificity in ICD-10 resulting in different DRG
  • Coding guideline changes such as with inpatient rehab admissions
  • Changes in assignment of complications/comorbidity codes
  • Changes to MDC classification within grouper
  • Changes to root operations definition of “revision of total hip replacement”
  • Change in DRG grouping methodology
    – Musculoskeletal procedures
    – Orthopedic procedures
Mitigation of DRG Shifts

– Controllable Shifts
  • Incorporate documentation shortfalls into your CDI initiative
  • Incorporate coding errors into ongoing training materials and tip sheets
  • Depending on severity, consider conducting special classes to address coding errors that resulted in a DRG shift

– Uncontrollable Shifts
  • Notify Finance of expected changes in reimbursement
  • Any significant reimbursement shifts should also be reported to the payer
Tracking Results

– Keep a log of all DRG shifts and root causes found during this period for comparison to actual grouping results from payers after the implementation date.

– Remember, the payers are usually using the same grouper that you do and thus there should not be any discrepancy between your calculated DRG and their calculated DRG.

– If you find there are differences, you will need to have a conversation with the payer, but you will be better prepared because you will have done the DRG testing internally, using the “standard” grouper and you will be well versed in completing the “deep dive analysis” needed to understand the shift.
<table>
<thead>
<tr>
<th>Case #</th>
<th>MS-DRG Grouper Version</th>
<th>Orig ICD-9 DRG</th>
<th>Final ICD-9 DRG</th>
<th>ICD-10 DRG</th>
<th>TGH Coder Comments</th>
<th>Type of Shift</th>
<th>Possible mitigation strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>140</td>
<td>v31</td>
<td>025</td>
<td>949</td>
<td>ICD-10 DRG differs due to guideline changes related to rehabilitation admission.</td>
<td>Uncontrollable</td>
<td>Alert Finance re: Reimbursement Change Alert Payer re: DRG Shift</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>v31</td>
<td>030</td>
<td>909</td>
<td>ICD-10 DRG shift is due to change in MDC classification from MDC 1, Diseases and Disorders of the Nervous System in ICD-9 to MDC 21, Injuries, Poisonings, and Toxic Effects of Drugs in ICD-10. The principal diagnosis and procedure code assigned in I-9 and I-10 are the same.</td>
<td>Uncontrollable</td>
<td>Alert Finance re: Reimbursement Change Alert Payer re: DRG Shift</td>
<td></td>
</tr>
<tr>
<td>164</td>
<td>v31</td>
<td>057</td>
<td>056</td>
<td>056</td>
<td>Initial coding in ICD-9 did not include secondary diagnosis encephalopathy which is a major complication/comorbidity and impacts DRG assignment.</td>
<td>Controllable</td>
<td>Send to CDI and Coding for inclusion in training and/or templates</td>
</tr>
<tr>
<td>14</td>
<td>v31</td>
<td>064</td>
<td>066</td>
<td>066</td>
<td>Initial ICD-9 DRG assignment of 064 is related to incorrect code assignment of cerebral edema, 348.5. DRG 066 is correct based on documentation and coding guidelines for both ICD-9 and ICD-10.</td>
<td>Controllable</td>
<td>Send to CDI and Coding for inclusion in training and/or templates</td>
</tr>
<tr>
<td>102</td>
<td>v31</td>
<td>091</td>
<td>052</td>
<td>ICD-10 DRG differs due to guideline changes related to rehabilitation admission.</td>
<td>Uncontrollable</td>
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<td></td>
</tr>
<tr>
<td>115</td>
<td>v31</td>
<td>102</td>
<td>075</td>
<td>075</td>
<td>Initial ICD-9 DRG assignment of 102 is related to incorrect code assignment of principal diagnosis 339.3, drug induced headache, not elsewhere classified. Review of documentation supports most appropriate principal diagnosis is viral meningitis, unspecified which changes DRG for both ICD-9 and ICD-10 to DRG 75.</td>
<td>Controllable</td>
<td>Send to CDI and Coding for inclusion in training and/or templates</td>
</tr>
<tr>
<td>162</td>
<td>v31</td>
<td>175</td>
<td>432</td>
<td>987</td>
<td>ICD-10 DRG shift is due to change in DRG classification for pulmonary embolism with MCC. In order for the same patient to populate into 175 DRG assignment the provider would need to document a higher level of diagnostic specificity. Record is coded the same in both I-9 and I-10.</td>
<td>Controllable</td>
<td>Send to CDI and Coding for inclusion in training and/or templates</td>
</tr>
<tr>
<td>70</td>
<td>v31</td>
<td>442</td>
<td>432</td>
<td>ICD-10 DRG shift is due to change in DRG classification for alcoholic hepatitis with encephalopathy with MCC. Higher level of diagnostic specificity is required in ICD-10. Record is coded the same in both I-9 and I-10.</td>
<td>Controllable</td>
<td>Send to CDI and Coding for inclusion in training and/or templates</td>
<td></td>
</tr>
<tr>
<td>133</td>
<td>v31</td>
<td>467</td>
<td>464</td>
<td>482</td>
<td>Initial DRG assignment of 467 is incorrect based on procedural coding of revision of hip replacement. Patient had infected joint prosthesis removed per op report. Revised ICD-9 DRG now reflects 464 and ICD-10 DRG is 482. ICD-10 DRG shift is due to a change in DRG methodology for orthopedic procedures.</td>
<td>Uncontrollable</td>
<td>Alert Finance re: Reimbursement Change Alert Payer re: DRG Shift</td>
</tr>
</tbody>
</table>
Additional Steps to Reduce Risk

• Acknowledgement Testing – be sure you are capable of generating a HIPAA compliant claim file
  – CMS
  – Your clearinghouse
  – Web-based software for validating syntactical accuracy of files

• Sharing Your Results
  – We can all benefit from sharing results of our testing and maybe learn something from one another.
  – Several initiatives are going on right now for development of a standard template that could be used on a national basis for reporting testing results
Additional Steps to Reduce Risk (Cont.)

• Ensure ongoing and proactive clinical documentation improvement program

• Define Key Performance Indicators (KPI)
  – Reimbursement outcomes
  – Financial analytics (rejections, denials, pends, etc.)
  – Case Mix analysis

• Develop KPI monitoring tools and action plans

• Develop your cutover plans
  – Eligibility
  – Pre-authorizations
  – Claims
Questions?

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ICD-10 Resources

- [CMS](http://www.cms.gov/ICD10)
- [Workgroup for Electronic Data Interchange](http://www.wedi.org)
- [American Medical Assoc](http://www.ama-assn.org)
- [American Health Information Mgmt Assoc](http://www.ahima.org/icd10)
- [Availity](http://www.availity.com)
- [Healthcare Billing & Management Assoc.](http://www.hbma.com)
- [Medical Group Management Assoc.](http://www.mgma.com)
- [Florida Blue](http://www.floridablue.com/ICD-10)
- [Center for Disease Control](http://www.cdc.gov/nchs/icd/icd10.htm)