

# **Introduction to ICD-10: A Guide for Providers**

**Centers for Medicare & Medicaid  
Services**

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Compliance Date: October 1, 2014

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## What is ICD-10?

In 1990, the World Health Organization (WHO) approved the 10th Revision of the International Classification of Diseases (ICD), known as ICD-10.

What	Why	When	
<ul style="list-style-type: none"> <li>• A method of coding:               <ul style="list-style-type: none"> <li>➤ The patient’s state of health and</li> <li>➤ Institutional procedures</li> </ul> </li> <li>• In the U.S., ICD-10 includes:               <ul style="list-style-type: none"> <li>➤ ICD-10-CM : clinical modification of WHO standard for diagnoses that is maintained by NCHS and is for specific use in the U.S.</li> <li>➤ ICD-10-PCS: inpatient procedures developed and maintained by CMS</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• ICD-10-CM and PCS are complete revisions of their U.S. developed ICD-9 counterparts, which were adopted in 1979               <ul style="list-style-type: none"> <li>➤ More information per code</li> <li>➤ Better support for care management, quality measurement, &amp; analytics</li> <li>➤ Improved ability to understand risk and severity</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Compliance Date: 10/1/14</b> <ul style="list-style-type: none"> <li>➤ Outpatient services are based on the Date of Service</li> <li>➤ Inpatient services are based on the Date of Discharge</li> </ul> </li> </ul> <div data-bbox="1499 1024 1734 1349" data-label="Image"> </div>	
<th data-bbox="764 1154 1316 1240">Who</th> <td data-bbox="764 1240 1316 1375"> <ul style="list-style-type: none"> <li>• All HIPAA-covered entities must use ICD-10</li> </ul> </td> <td data-bbox="1344 1154 1896 1375"></td>	Who	<ul style="list-style-type: none"> <li>• All HIPAA-covered entities must use ICD-10</li> </ul>	

## ICD-10 Overview

ICD-10 replaces the ICD-9 code sets and includes updated medical terminology and classification of diseases

ICD-10 CM/PCS consists of two parts:

- » ICD-10-CM for **diagnosis coding** in all health care settings
- » ICD-10-PCS for **inpatient procedure coding** in hospital settings

CPT coding for outpatient and office procedures is not affected by the ICD-10 transition

## ICD-10 Overview

**ICD-10-CM** replaces ICD-9-CM for **diagnosis coding**:

- » ICD-9-CM diagnosis codes = 3 to 5 digits
- » ICD-10-CM codes = 3 to 7 digits
- » Overall format of ICD-10 diagnosis codes similar to ICD-9

## ICD-10 Overview

**ICD-10-PCS** replaces ICD-9-CM for **inpatient procedure coding**:

- » ICD-9-CM procedure codes = 3 to 4 numeric digits
- » ICD-10-PCS codes = 7 alphanumeric digits
- » ICD-10-PCS code format substantially different from ICD-9
- » Unlike ICD-9, ICD-10 expands details for many conditions

# Why Transition to ICD-10

## Why Transition to ICD-10

Better reflects current medical practice

Captures more specific data from clinical documentation than ICD-9

- » ICD-10-CM: For fractures, for example, captures left vs. right side of body, initial vs. subsequent encounter, routine vs. delayed healing, and nonunion vs. malunion
- » ICD-10-PCS: Provides detailed information on procedures and distinct codes for all types of devices



## Why Transition to ICD-10

Detail captured by ICD-10 can:

- » Facilitate patient care coordination across settings
- » Improve public health reporting and tracking

ICD-10 structure accommodates new codes

- » ICD-9 is running out of capacity and cannot continue to accommodate addition of codes to reflect new diagnoses and procedures

# Getting Ready for ICD-10

## Getting Ready for ICD-10: Compliance Date

By **October 1, 2014**, your practice must start using ICD-10 codes for services provided *on or after* October 1, 2014

## Getting Ready for ICD-10: Monitor Your Progress

Monitor your progress against your **ICD-10 project plan**, which should identify:

- » Each task to be completed
- » When tasks should begin and end
- » Who is responsible for each task

## Getting Ready for ICD-10: Check Your Plan

Check that your **ICD-10 project plan**:

- » Ensures senior leadership understands breadth and significance of ICD-10 change
- » Assigns overall responsibility and decision-making authority for managing the transition
- » Includes a comprehensive, realistic budget
- » Ensures involvement of all stakeholders, ranging from physicians to clearinghouses and software vendors

## Getting Ready for ICD-10: Check Your Plan

Check that your **ICD-10 project plan** also covers:

- » Software/hardware testing
- » Staff training and sharing best practices
- » Updating internal policies to support the transition
- » Adhering to a well-defined timeline

## Getting Ready for ICD-10: Key Steps

### **Essential tasks** to cover in **project plan**:

- » Identify commonly used ICD-9 codes and explore related ICD-10 codes
- » Identify paper and electronic forms to accommodate the ICD-10 code structure
- » Schedule ICD-10 training for clinicians, office managers, billers, coders, and other key staff

## Getting Ready for ICD-10: Analyze How You Use Codes

Identify **how ICD-10 will affect your practice**, specifically use of codes for:

- » Billing and submitting claims
- » Other functions, like eligibility queries, registration, and referrals



## Getting Ready for ICD-10: Questions for Your Analysis

### Questions to inform your analysis:

- » Will I be able to submit claims?
  - You will need a billing system that is compliant with [HIPAA Version 5010](#) transaction standards
  - Verify that your existing billing system can submit and receive ICD-10 codes
- » How does ICD-10 work with my EHR systems
  - Verify whether your EHR captures ICD-10 codes as needed for billing purposes

## Getting Ready for ICD-10: Questions for Your Analysis

### **How do I become familiar with ICD-10 codes?**

- » Obtain ICD-10 code books if you use ICD-9 books for code look-up
- » Compare ICD-9 codes commonly used in your office to corresponding ICD-10 codes
- » Check your software for an ICD-10 look up function
- » Acquire ICD-10 code training
- » Obtain new ICD-10 forms if you use ICD-9 forms today

## Getting Ready for ICD-10: Look for Efficiencies

Consider opportunities to **make coding more efficient:**

- » List your most commonly used ICD-9 codes and look at the ICD-10 codes you will use in their place
- » Then think about how front-office staff can help capture new information required under ICD-10 (e.g., trimester of pregnancy for obstetric coding)

## Getting Ready for ICD-10: Potential Changes to Your Practice

**Identify changes you might need to make.**

Look at:

- » Business processes
- » Clinical documentation
- » Practice management and clinical software
- » Readiness of your vendors (e.g., practice management, billing, and clearinghouse products and services)

## Getting Ready for ICD-10: Business Processes

**Business processes** to consider include:

- » Referrals
- » Authorization/precertification
- » Patient registration and scheduling
- » Physician orders
- » Contracts with payers, clearinghouses, and other business partners
- » Financial operations
- » Public health reporting

## Getting Ready for ICD-10: Documentation

Clinical documentation of **key medical concepts** is essential to selecting specific ICD-10 codes.

As part of patient care, **clinicians already document most concepts** needed for ICD-10 coding.

## Getting Ready for ICD-10: Documentation

Does your practice's documentation capture necessary detail?

- » Use documentation from recent patient encounters to try selecting ICD-10 codes
- » Note any changes needed to documentation for ICD-10 coding

## Getting Ready for ICD-10: Communication

### Confirm ICD-10 plans and readiness of your:

- » Vendors
  - Software/systems
  - Clearinghouses
  - Billing services
  
- » Payers



## Getting Ready for ICD-10: Talk with Payers

- » Ask payers if they are revising contracts or policies based on ICD-10; if so, negotiate new contracts
- » Ask about testing plans

## Getting Ready for ICD-10: Talk with Clearinghouses and Billing Services

If you work with a clearinghouse or billing service, check on their ICD-10 preparation and readiness

Figure out how you can work together so your claims can be processed using ICD-10

- *Note:* Clearinghouses **cannot** help identify which ICD-10 codes to use unless they offer coding services

## **Getting Ready for ICD-10: Talk with Software/Systems Vendors**

Talk to your EHR and/or practice management system vendors to see when they plan to upgrade your system for ICD-10

Vendors will need to have products ready as soon as possible so you can test them; if they don't, you may need to find a new vendor who has ICD-10-ready products

## Getting Ready for ICD-10: Vendor Evaluation

- » Identify your current vendors
- » Contact vendors to confirm they are ICD-10-ready and how they will help you get ready
- » Assess whether you want or need to develop new vendor relationships
- » Evaluate your current vendor or new vendor by asking key questions

## Getting Ready for ICD-10: Key Vendor Questions

### Ask your vendors:

- » Will you install products well before the October 1, 2014, compliance date, so I can begin testing?
- » Will you support my products after October 1, 2014?
- » Will you update my products and applications for ICD-10?
- » Will you keep my products updated? Will there be a charge?
- » Will I need new hardware to accommodate ICD-10-related software changes?

## Getting Ready for ICD-10: Key Vendor Questions

### More questions for your vendors:

- » What costs are involved with maintaining new products?
- » Will you offer product support for the transition? If so, for how long?
- » How do I report issues and how quickly will you respond?
- » Will you provide training on your software?
- » Will you offer support during internal ICD-10 testing?
- » Will you help me test my system with payers and other trading partners?

## Getting Ready for ICD-10: Testing

Once your system is ICD-10-ready, test it

- » Try systems that send and receive codes to ensure they process ICD-10 codes correctly
- » Test transactions that affect your practice most, such as:
  - Claims submission
  - Eligibility verification
  - Quality reporting

## Getting Ready for ICD-10: Testing

Look at processes for collecting and reporting diagnosis codes (e.g., superbills and patient encounter forms)

Try handling processes with ICD-10:

- » If I had to select an ICD-10 code for the last patient, what would it be?
- » If I had to prepare a claim with an ICD-10 code, how would I do that?



## Getting Ready for ICD-10: Testing

Test with payers and other business partners

- » Work with your vendors and other business partners to develop a testing plan and schedule for ICD-10 transactions
- » Test how well your systems work together to send and receive codes—focus on transactions that affect your practice most

## Getting Ready for ICD-10: Implementation

Prepare and monitor for ICD-10's potential impact on:

- » Coding productivity
- » Coding accuracy
- » Reimbursement
- » Vendor responsiveness

## Getting Ready for ICD-10: Implementation

Sample steps to minimize ICD-10-related challenges:

- » Eliminate coding backlogs before ICD-10 transition
- » Prioritize medical records for coding
- » Provide refresher training to address productivity and accuracy issues
- » Develop a process for managing errors and resolving vendor issues

# ICD-10 Resources

## Resources

CMS website:

[www.cms.gov/icd10](http://www.cms.gov/icd10)

» Features fact sheets, FAQs, and implementation guides, timelines, and checklists

**CMS.gov** Learn about your healthcare options

Centers for Medicare & Medicaid Services

[Medicare](#)
[Medicaid/CHIP](#)
[Medicare/Medicaid Coordination](#)
[Private Insurance](#)
[Innovation Center](#)
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**ICD-10**

[Latest News](#)  
[CMS ICD-10 Industry Email Updates](#)  
[ICD-10 Implementation Timelines](#)  
[CMS Implementation Planning](#)  
[Provider Resources](#)  
[Medicare Fee-for-Service Provider Resources](#)  
[Medicaid Resources](#)  
[Payer Resources](#)  
[Vendor Resources](#)  
[Statute and Regulations](#)  
[2014 ICD-10-CM and GEMs](#)  
[2014 ICD-10 PCS and GEMs](#)  
[2013 ICD-10-CM and GEMs](#)  
[2013 ICD-10 PCS and GEMs](#)  
[ICD-9-CM Coordination and Maintenance Committee Meetings](#)  
[ICD-10 MS-DRG Conversion Project](#)  
[CMS Sponsored ICD-10 Teleconferences](#)

**ICD-10**



**About ICD-10**

On **October 1, 2014**, the ICD-9 code sets used to report medical diagnoses and inpatient procedures will be replaced by ICD-10 code sets.

The transition to ICD-10 is required for everyone covered by the [Health Insurance Portability and Accountability Act \(HIPAA\)](#). Please note, the change to ICD-10 does not affect CPT coding for outpatient procedures and physician services.

**Stay up to date on ICD-10!**

Sign up for [CMS ICD-10 Industry Email Updates](#) and follow us on [Twitter](#).

**CMS Resources**

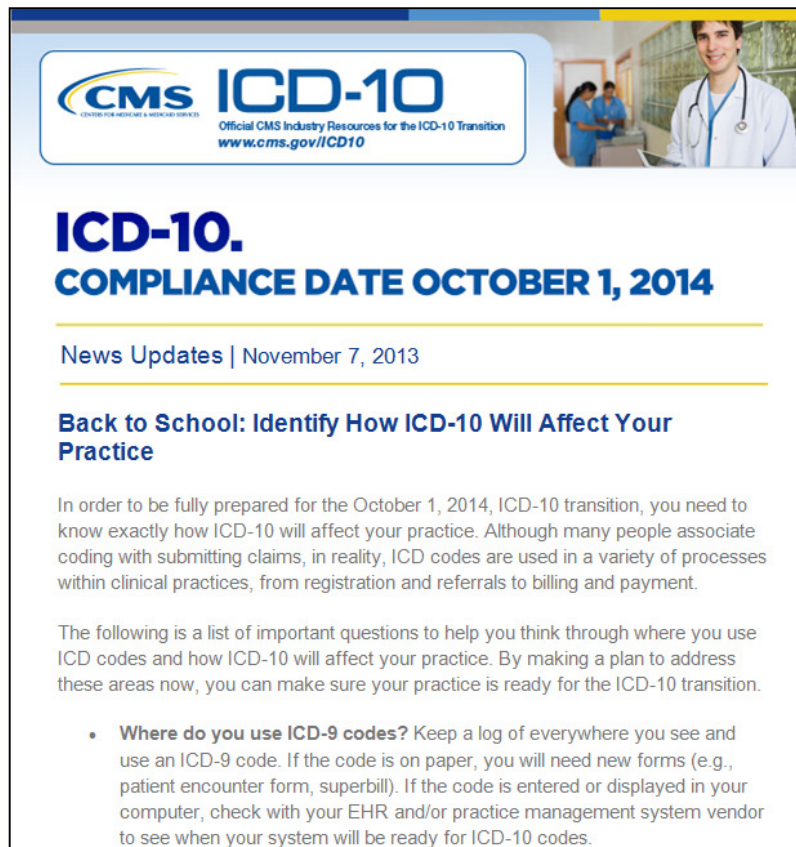
- View the [ICD-10 Introduction](#) fact sheet and [FAQs](#) to get a general overview on ICD-10.
- See official resources designed to help [providers](#), [payers](#), [vendors](#), and [non-covered entities](#) with the transition to ICD-10 on October 1, 2014.
- Access two free Medscape Education modules that provide guidance to small practices making the transition to [ICD-10: ICD-10: A Roadmap for Small Clinical Practices](#) and [ICD-10: Small Practice Guide to a Smooth Transition](#). Continuing medical education (CME) and continuing education (CE) credits are available to physicians and nurses who complete the learning modules.

**Logos**

This official CMS ICD-10 logo (displayed on the top of this page) signifies that these materials were developed by CMS, and are intended for general industry use.

CMS materials intended solely for providers in the Medicare Fee-for-Service program feature the Medicare Learning Network logo.

## Resources

A screenshot of a CMS website page titled "ICD-10 COMPLIANCE DATE OCTOBER 1, 2014". The page includes a header with the CMS logo and "Official CMS Industry Resources for the ICD-10 Transition" with the URL "www.cms.gov/ICD10". Below the header is a photo of a doctor. The main content area has a sub-header "ICD-10. COMPLIANCE DATE OCTOBER 1, 2014" and a date "News Updates | November 7, 2013". The article title is "Back to School: Identify How ICD-10 Will Affect Your Practice". The text discusses the need to be fully prepared for the October 1, 2014, ICD-10 transition and provides a list of important questions to help think through where ICD-9 codes are used.

**CMS ICD-10**  
Official CMS Industry Resources for the ICD-10 Transition  
[www.cms.gov/ICD10](http://www.cms.gov/ICD10)

**ICD-10.**  
**COMPLIANCE DATE OCTOBER 1, 2014**

News Updates | November 7, 2013

**Back to School: Identify How ICD-10 Will Affect Your Practice**

In order to be fully prepared for the October 1, 2014, ICD-10 transition, you need to know exactly how ICD-10 will affect your practice. Although many people associate coding with submitting claims, in reality, ICD codes are used in a variety of processes within clinical practices, from registration and referrals to billing and payment.

The following is a list of important questions to help you think through where you use ICD codes and how ICD-10 will affect your practice. By making a plan to address these areas now, you can make sure your practice is ready for the ICD-10 transition.

- **Where do you use ICD-9 codes?** Keep a log of everywhere you see and use an ICD-9 code. If the code is on paper, you will need new forms (e.g., patient encounter form, superbill). If the code is entered or displayed in your computer, check with your EHR and/or practice management system vendor to see when your system will be ready for ICD-10 codes.

CMS ICD-10 Email Updates provide timely information

To sign up for updates:

1. Go to [cms.gov/icd10](http://cms.gov/icd10)
2. Select “CMS ICD-10 Industry Email Updates” from left navigation bar
3. Click on “Sign up for update messages”



# Resources



**The ICD-10 Transition: An Introduction**

The ICD-9 code sets used to report medical diagnoses and inpatient procedures will be replaced by ICD-10 code sets. This fact sheet provides background on the ICD-10 transition, general guidance on how to prepare for it, and resources for more information.

**About ICD-10**

ICD-10-CM/PCS (International Classification of Diseases, 10th Edition, Clinical Modification /Procedure Coding System) consists of two parts:

1. ICD-10-CM for diagnosis coding
2. ICD-10-PCS for inpatient procedure coding

**ICD-10-CM** is for use in all U.S. health care settings. Diagnosis coding under ICD-10-CM uses 3 to 7 digits instead of the 3 to 5 digits used with ICD-9-CM, but the format of the code sets is similar.

**ICD-10-PCS** is for use in U.S. inpatient hospital settings only. ICD-10-PCS uses 7 alphanumeric digits instead of the 3 or 4 numeric digits used under ICD-9-CM procedure coding. Coding under ICD-10-PCS is much more specific and substantially different from ICD-9-CM procedure coding.

The transition to ICD-10 is occurring because ICD-9 produces limited data about patients' medical conditions and hospital inpatient procedures. ICD-9 is 30 years old, has outdated terms, and is inconsistent with current medical practice. Also, the structure of ICD-9 limits the number of new codes that can be created, and many ICD-9 categories are full.

**Who Needs to Transition**

ICD-10 will affect diagnosis and inpatient procedure coding for everyone covered by Health Insurance Portability and Accountability Act (HIPAA), not just those who submit Medicare or Medicaid claims. The change to ICD-10 does not affect CPT coding for outpatient procedures.

**ICD-10 Basics for Medical Practices**

The ICD-10 transition takes planning, preparation, and time, so medical practices should continue working toward compliance. The following quick checklist will assist you with preliminary planning steps.

- Identify your current systems and work processes that use ICD-9 codes.** This could include your clinical documentation, encounter forms/superbills, practice management system, electronic health record system, contracts, and public health and quality reporting protocols. It is likely that wherever ICD-9 codes now appear, ICD-10 codes will take their place.
- Talk with your practice management system vendor about accommodations for ICD-10 codes.**
  - Confirm with your vendor that your system has been upgraded to **Version 5010** standards, which have been required since January 1, 2012. Unlike the older Version 4010/4010A standards, Version 5010 accommodates ICD-10 codes.
  - **Contact your vendor** and ask what updates they are planning to make to your practice management system for ICD-10, and when they expect to have it ready to install.
  - Check your contract to see if upgrades are included as part of your agreement.
  - If you are in the process of making a practice management or related system purchase, ask if it is ICD-10 ready.
- Discuss implementation plans with all your clearinghouses, billing services, and payers to ensure a smooth transition.** Be proactive, don't wait. Contact organizations you conduct business with such as your payers, clearinghouse, or billing service. Ask about their plans for ICD-10 compliance and when they will be ready to test their systems for the transition.

**Background**

**ICD-10 DEADLINE OCT 1, 2014**

**About ICD-10**

ICD-10 CM/PCS (International Classification of Diseases, 10th Edition, Clinical Modification/ Procedure Coding System) consists of two parts:

**ICD-10-CM** (diagnosis coding) was developed by the Centers for Disease Control and Prevention for use in all U.S. health care settings. Diagnosis coding under ICD-10-CM uses 3 to 7 digits instead of the 3 to 5 digits used with ICD-9-CM, but the format of the code sets is similar.

**ICD-10-PCS** (inpatient procedure coding) was developed by the Centers for Medicare & Medicaid Services (CMS) for use in U.S. inpatient hospital settings only. ICD-10-PCS uses 7 alphanumeric digits instead of the 3 or 4 numeric digits used under ICD-9-CM procedure coding. Coding under ICD-10-PCS is much more specific and substantially different from ICD-9-CM procedure coding.

The transition to ICD-10-CM/PCS does not affect Current Procedural Terminology (CPT) codes, which will continue to be used for outpatient services.

Fact sheets on ICD-10 for providers, payers, and vendors

» Available on the Provider, Payer, and Vendor Resources pages of the [CMS website](http://www.cms.gov)

# Resources

**CMS ICD-10**  
Official CMS resources for the ICD-10 Transition  
www.cms.gov/ICD10

### Small and Medium Practices ICD-10 Transition Checklist

The following is a checklist of ICD-10 tasks, including estimated timelines for each task. Depending on your organization, many of these tasks can be performed on a compressed timeline or performed at the same time as other tasks. This checklist is designed to provide a viable path forward for organizations just beginning to prepare for ICD-10. CMS encourages those who are ahead of this schedule to continue their progress forward.

**Planning, Communication, and Assessment  
Actions to Take Immediately**

To prepare for testing, make sure you have completed the following activities. If you have already completed these tasks, review the information to make sure you did not overlook an important step.

- Review ICD-10 resources from CMS, trade associations, payers, and vendors
- Inform your staff/colleagues
- Create an ICD-10 project
- Identify how ICD-10 will affect your practice
  - How will ICD-10 affect your practice?
  - Include ICD-10 as you develop your business plan
- Develop and complete an ICD-10 project plan
  - Identify each task, including dependencies
  - Develop plan for communication
- Estimate and secure budget for new coding guides and software
- Ask your payers and vendors about ICD-10 readiness (2 months)
  - Review trading partner agreements
  - Ask about systems changes

**CMS ICD-10**  
Official CMS resources for the ICD-10 Transition  
www.cms.gov/ICD10

### ICD-10 Timeline for Small-Medium Practices at a Glance

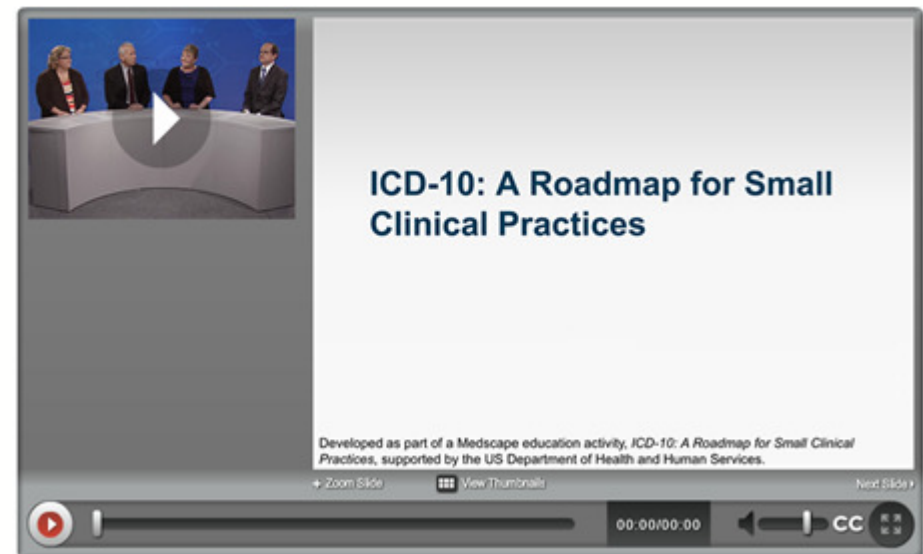
Task	2011												2012											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>PLANNING</b>																								
Identify resources																								
Create project team																								
Assess effects																								
Create project plan																								
Secure budget																								
<b>COMMUNICATIONS</b>																								
Inform staff																								
Contact vendors																								
Contact payers																								
Monitor vendor prep																								
Monitor payer prep																								
<b>TESTING</b>																								
High-level training for test team																								
Level 1: internal																								
Level 2: external																								
<b>COMPREHENSIVE TRAINING</b>																								
Documentation																								
Coding																								

- Timelines and checklists for:
- » Small to medium practices
  - » Large practices
  - » Small hospitals
  - » Payers



## Resources

- ICD-10 Medscape Videos
- » ICD-10: A Roadmap for Small Clinical Practices
  - » ICD-10: Small Practice Guide to a Smooth Transition



***Free continuing medical education (CME) and continuing education (CE) credits available to physicians and nurses who complete a brief post-test. Accessible from CMS ICD-10 website: [www.cms.gov/icd10](http://www.cms.gov/icd10)***

## Resources

[Online ICD-10 Guide](#): on Provider Resources page, [cms.gov/ICD10](http://cms.gov/ICD10)

**CMS ICD-10**  
Official CMS Industry Resources for the ICD-10 Transition  
[www.cms.gov/ICD10](http://www.cms.gov/ICD10)

### ICD-10 Implementation Guide

HOME ICD-10 OVERVIEW START RESOURCES

#### ICD-10 Implementation Timeline

- COMMUNICATION & OUTREACH  
Sep 2010 - Mar 2015
- PLANNING & ANALYSIS  
Jul 2009 - Feb 2013
- DESIGN  
Dec 2011 - Feb 2013
- DEVELOPMENT  
Dec 2012 - Apr 2013
- TESTING  
Apr 2013 - Sep 2014
- IMPLEMENTATION  
Oct 1, 2014

#### PLANNING & ANALYSIS

DESIGN DEVELOPMENT TESTING IMPLEMENTATION

##### Planning & Analysis

- Establish Project Structure
- Assess business and policy impacts
- Establish risk management

**START ▶**

#### Welcome

On October 1, 2014, a key element of the data foundation of the United States' health care system will undergo a major transformation. We will transition from the decades-old Ninth Edition of the International Classification of Diseases (ICD-9) set of diagnosis and inpatient procedure codes, to the far more contemporary Tenth Edition of those code sets—or ICD-10—used by most developed countries throughout the world.

This transition will have a major impact on anyone who uses health care information that contains a diagnosis and/or inpatient procedure code.

To learn more, please visit the [CMS ICD-10 website](#).

Step-by-step ICD-10 advice for clinical practices, small hospitals, and payers

## Resources

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