Derm Coding Consult

Published by the American Academy of Dermatology Association

ICD-10-CM Implementation Date is October 1st, 2015

The Centers for Medicare and Medicaid Services (CMS) is committed to implementing ICD-10-CM on October 1st, 2015. On this date, all Health Insurance Portability Accountability Act (HIPAA) covered entities, including dermatology practices, will be required to use the International Classification of Diseases, Tenth Edition Clinical Modification (ICD-10-CM) for diagnostic coding.

Claims submitted on and after October 1st, 2015 are required to be reported with the ICD-10-CM diagnosis codes. Failure to submit claims with the appropriate ICD-10-CM codes will render your claims unprocessable due to invalid codes and could result in significant financial disruption to your practice.

Dermatology practices need to prepare for this momentous transition by ensuring that all necessary documentation and programming upgrades to all systems are installed and functioning prior to October 1st. All affected systems throughout the practice must be ready to accept, retain and exchange information using the new code set during transactions and reporting processes.

Dermatologists and healthcare providers must note that the switch from ICD-9-CM to ICD-10-CM will impact clinical documentation and coding resources in the practice. Dermatologists are urged to review the current ICD-9-CM codes used in their practice and transition them to ICD-10-CM codes to identify what changes and education will be required in order to achieve a seamless transition with little to no impact on current processes.

In this issue, the AAD has focused on providing you with multiple resources to assist your practice in achieving simple easy to use references to enhance your understanding of ICD-10-CM coding guidelines and code selection. They are

- ➢ Dermatology ICD-9-CM to ICD-10-CM Chapter Reference Sheet
- ➢ ICD-10-CM Quick Coder courtesy of Robert Blaine Lehr, MD, FAAD that you can customize for your practice;
- ➢ Examples of coding documentation improvement and challenges with specific coding instructions

What happens if your system is unable submit ICD-10 claims electronically on or after October 1st?
The Centers for Medicare & Medicaid Services (CMS) encourages all dermatology practices to prepare for the transition and to be ready to submit ICD-10-CM claims electronically for all services provided on or after October 1, 2015. However, if you are not ready, CMS has several options for providers who are unable to submit claims with

ICD-10-CM diagnosis codes due to problems with the provider's system. If you choose to use these CMS options, be sure to allow time so that you and your staff are prepared to complete training on the free billing software or portals before the compliance date. Each of these requires that the provider be able to code in ICD-10-CM:

Special ICD-10-CM Edition!

1. **I am unable to submit claims using ICD-10-CM codes electronically**

   Free billing software is available from every Medicare Administrative Contractor (MAC) and can be downloaded at any time which will allow you to submit claims using ICD-10-CM.

   About half of the MAC jurisdictions accept Part B claims using ICD-10-CM code sets submitted using the MAC internet portal. Visit your Local MAC for more information on how to use the internet portal.

   You can submit paper claims with ICD-10-CM codes, once the Administrative Simplification Compliance Act waiver provisions are met. See instructions on waiver completion at *https://www.cms.gov/Medicare/Billing/ElectronicBilling EDITrans/ASCAWaiver.html*

Contents

IMPORTANT Please Route to:

___ Dermatologist   ___ Office Mgr   ___ Coding Staff   ___ Billing Staff

Letter from the Editor

Dear *Derm Coding Consult* Reader,

Are you ready for October 1st, 2015?

If you are wondering what the world will look like on October 1st, 2015 when the big ICD-10-CM transition takes place, you are not alone! For several years now, dermatology practices have anticipated the implications of such a major change in the medical coding arena. While it is difficult for many practices to see the advantages, proponents of ICD-10-CM assert that it will provide increased accuracy and detail in the reporting of diseases. It allows more room for the description of new technologies and procedures and it will provide better data for evaluating and improving the quality of patient care.

For many years as well, we have prepared, implemented, tested and then quickly learned that the transition would be delayed. As of the time of publication for this special edition of Derm Coding Consult, we have not received any indications that a new delay will occur or that claims with ICD-9-CM will be accepted after October 1st, 2015.

What we do know and what we can say is that these delays have allowed physician practices additional time to review and update existing practice management systems to prepare for the transition. The delays have provided the Centers for Medicare and Medicaid Services (CMS) time to test their systems to ensure that they will be ready to receive, review and submit payments to all claims containing the ICD-10-CM coding conventions.

Throughout this time, the Academy has worked diligently to provide members with the most up-to-date information available on the ICD-10-CM transition and has worked to create resources that will help you in your day to day practice. All of the resources are available on the Academy's website at *http://www.aad.org/members/ practice-management-resources/coding-and-reimbursement/icd-10/preparing-for-icd-10*

In this special edition of Derm Coding Consult, we have added a resource that Robert Blaine Lehr, MD created. Dr. Lehr developed a dermatology specific ICD-10-CM Quick Coder template. The ICD-10-CM Quick Coder template is included in this month's Derm Coding Consult. Thanks to Dr. Lehr's generosity, we are able to expand the template and provide it to AAD members for free. We hope that you find this resource useful in your day to day operations.

As always, we will continue to inform our members of any new changes, any updates and any other information that is pertinent to your preparation and readiness for October 1st, 2015.

The future is upon us!

Regards,

Ana Maria Bustos
Senior Manager of Coding and Reimbursement
Editor Derm Coding Consult
American Academy of Dermatology ❖

ICD-10-CM Implementation Date is October 1st, 2015

2. **My practice is not prepared to submit ICD-10 claims for services performed on or after October 1, 2015.**

    CMS states that unless your practice is able to submit claims with ICD-10_CM code sets, whether using the alternate methods described above or electronically, your claims will not be accepted. Only claims coded with ICD-10-CM code sets can be accepted for services provided on or after October 1st, 2015.

3. **Will ICD-10-CM codes determine reimbursement for services/procedures provided?**

    Outpatient and physician office claims are not paid based on ICD-10-CM codes but on CPT and HCPCS procedure codes. ICD diagnosis codes are sometimes used to determine the medical necessity for services rendered, regardless of the care setting. The CPT and HCPCS codes are not changing any time soon and will continue to be the basis in determining reimbursement.

For more information from CMS, please visit *http://cms. gov/Medicare/Coding/ICD10/Downloads/ICD10FiveMoreFacts.pdf* ❖

CPT only © 2014 American Medical Association. All Rights Reserved.

ERRATA

Errata: *Derm Coding Consult,* **Spring 2015, page 4: The Troubles with Modifier 59 under Modifier 50, the Unna Boot CPT code in the first paragraph was a typo and should be 29580.**

Breaking News from Noridian Healthcare Solutions, LLC

Coding for High Dose Rate Brachytherapy for Non-Melanoma Skin Cancers

On April 20, 2015, Noridian (Medicare Administrative Contractor JE & JF) released billing clarification information for High Dose Rate brachytherapy for non-melanoma skin cancers (NMSC) that is effective as of June 8, 2015. According to Noridian's Medical Director, treatments will need to be coded as malignant destructions – one CPT code per lesion treated. To report these services, please see Medicare's notification below:

"Noridian has become aware that some physicians are using high dose rate brachytherapy for treatment of non-melanoma skin cancers and billing that service with the Category III CPT Code 0182T. The Category III CPT Code 0182T was carrier-priced by Noridian several years ago based on pricing inputs related to this service when used to treat breast cancer. Consequently, this code is not appropriate for use when treating much less complicated tumors such as non-melanoma skin cancers.

Effective June 8, 2015, when treating non-melanoma skin cancers with surface brachytherapy, code the service with CPT Code 17999 and place the appropriate destruction code for the lesion location and size from the CPT Code series 17261-17286 in Item 19 of the CMS-1500 claim form or the electronic equivalent. Claims without this information will be denied as unprocessable. Do not report or bill to anyone for any radiation planning, dosimetry, simulations, or physician management services (CPT codes 77261-77370, 77427-77499)."

For more information, please visit *https://med.noridianmedicare.com/web/jeb/policies/coverage-articles/coding-for-high-dose-rate-brachytherapy-for-non-melanoma-skin-cancers* ❖

ICD-10-CM Now is the Time To Start Practicing More Often

Five months and counting until October 1st, 2015 and you realize that your practice may not be up to speed and/or anywhere close to being fully trained in ICD-10-CM. In these last few months, invest some quality time into understanding, learning, training and sending your staff to a class, allowing them to watch a webinar, do some research and most importantly get familiar with the ICD-10-CM coding conventions. This is a new coding language and proficiency will take some time.

First of all determine who in your practice will need to be trained in ICD-10-CM. This will depend on who selects the codes – physician or staff and how this information is shared – via super-bill or medical records. With this in mind, physicians and coders are the most important people to train, but everyone in the practice must become familiar and comfortable with this new language of codes. Front desk staff should also have baseline level knowledge in order to assist with patients and referrals.

Taking an ICD-10-CM class is not enough, you have to practice. The AAD staff has suggested for several years now that you practice dual coding in both the ICD-10-CM and ICD-9-CM at least once a week using a day's revenue batch. Now, with the transition so close at hand, it is imperative that this be done several times a week to get the proficiency, recognition and realization of the guidelines and use of ICD-10-CM.

Your staff needs to clearly understand ICD-10-CM and what better way than to allow them to practice on a daily basis by coding a batch or two. Let them get to know the ICD-10-CM section of AAD's Coding and Documentation Manual or another ICD-10-CM coding manual or electronic coding system. Throughout this whole transition process we have been told time and time again to expect the productivity of staff to drop because of the anticipated learning curve with ICD-10-CM. The more we practice using ICD-10-CM, the more we will understand and there will be less errors moving forward.

Begin practicing now and more often!

Below are some resources you may find helpful

ICD-10-CM Resources

http://www.cms.gov/Medicare/Coding/ICD10/index.html

https://www.aad.org/members/practice-and-advocacy-resource-center/payment-and-reimbursement/coding-resource-center/icd-10

https://www.aad.org/store/search/default.aspx?catid=15 ❖

Examples of ICD-10-CM Coding Documentation in Dermatology

On October 1st, 2015, all physician practices including dermatology practices will be required to start using the ICD-10-CM code set. Claims submitted without the appropriate ICD-10-CM codes will remain unprocessable due to invalid codes and could result in significant financial disruption to your practice.

Coding in ICD-10-CM requires some preparation but it can be accomplished. Your dermatology practice must have the necessary documentation and programming upgrades installed and functioning prior to October 1st.

Examples of ICD-10-CM Coding Documentation in Dermatology

Below are some medical record entries that have been coded in both ICD-9-CM as well as in ICD-10-CM to provide you insight on the importance that appropriate clinical documentation plays in your ICD -10-CM code choices.

1. Patient presents with an intensely pruritic, papulovesicular, erythematous, bilaterally symmetrical eruption localized to the face, neck, and exposed arms and forearms. The patient reports that he recently started using a new sunscreen product on his exposed skin.

   The biopsy specimen reveals an excoriated, acanthotic, mildly spongiotic epidermis with focal parakeratosis and lymphocyte exocytosis. The changes are most compatible with those of an eczematous process, including contact, nummular and atopic dermatitis.

   Final Diagnosis: Allergic contact dermatitis due to sunscreen use

   ICD-9-CM Code:

   692.3 Contact dermatitis and other eczema, due to drugs and medicines in contact with skin

   E946.3 Adverse effect of emollients, demulcants and protectants

   ICD-10-CM Code:

   L23.3 Allergic contact dermatitis due to drugs in contact with skin.

   Instructions require the use of an additional code for adverse effect, if applicable, to identify drug (T36 – T50 with fifth or sixth character 5)

   T49.3x5A Adverse effect of emollients, demulcants and protectants, initial Encounter

   ICD-10-CM codes have the ability to provide higher specificity. For example, contact dermatitis due to adverse reaction after contact with skin will require an additional code to define that the causal agent came into contact with skin through normal use.

2. Patient presents with itchy, red blisters on his chest and arms. Patient is a local farmer and recently applied insecticide to his crops. The next day, he woke up scratching his arms and chest but did not think much of it. Itch and blisters have improved after staying away from the fields.

   Final Diagnosis: Irritant contact dermatitis, due to exposure to insecticide

   ICD-9-CM code:

   692.4 Contact dermatitis and other eczema, due to other chemical products

   ICD-10-CM code:

   L24.5 Irritant contact dermatitis due to other chemical products (insecticide)

ICD-10-CM code

L24.5 - *Irritant contact dermatitis due to other chemical products* is a combination code because the code descriptor includes all components, (insecticide - under the included conditions) required to provide accurate ICD-10-CM code assignment.

3. Patient presents for follow-up of n*on-pressure chronic ulcer of the right ankle*, break-down is *limited to skin*. Patient has history of *Type 1 diabetes mellitus*.

   Final Diagnosis: Non-pressure ulcer, type 1 diabetes mellitus

   ICD-9-CM code:

   250.81 Diabetes with other specified manifestation, type 1 not stated as uncontrolled

   707.13 Ulcer of ankle

   ICD-10-CM code:

   E10.621 Type 1 Diabetes mellitus with foot ulcer

   Coding instructions require one to use an additional code to Identify the site of the ulcer from codes L97.x – L98.x

   L97. 311 Non-pressure chronic ulcer of right ankle limited to breakdown of skin

   Codes for non-pressure ulcers include location, laterality and severity of damage to tissue within the code descriptor, Inclusion of this information in the medical record documentation is important for accurate code assignment.

4. 75 y/o Type 1 diabetic female patient presents with small raised, yellow and somewhat waxy lesions on the lower part of her legs.

   Final Diagnosis: Necrobiosis lipoidica diabeticoruma

   ICD-9-CM

   250.81 Diabetes with other specified manifestation, type 1 not stated as uncontrolled

   ICD-10-CM

   E10.620 Type 1 Diabetes mellitus with diabetic dermatitis

   ICD-10-CM chapter specific coding guidelines indicate that diabetes codes are combination codes which include the type of diabetes mellitus, body system affected and complications affecting that body system. As a result, this patient encounter would be reported with a single ICD-10-CM diagnosis code.

5. Patient presents with a moderately pruritic eruption with a two week onset following the initiation of a new lipid lowering drug regimen. A complete skin examination reveals a bilaterally symmetrical eruption of pink, variably sized macules and plaques on the chest, abdomen and proximal extremities.

   Final Diagnosis: Dermatitis, drug eruption

   ICD-9-CM Code:

   693.0 Dermatitis due to drugs and medicines taken internally

   E942.9 Other and unspecified agents primarily affecting the cardiovascular system

Examples of ICD-10-CM Coding Documentation in Dermatology

ICD-10-CM Code:

L27.0 Generalized skin eruption due to drugs and medicaments taken Internally

Instructions require the addition of an additional code for adverse effect, if applicable, to identify drug (T36 – T50 with fifth or sixth character 5)

T46.905A Adverse effect of <u>unspecified</u> agents primarily affecting the cardiovascular system, initial encounter

Coding the above encounter may present challenges regarding code selection due to the lack of specificity. The medical record above does not indicate the specific drug type prescribed to the patient that caused the reaction.

However, if the same documentation included the type of drug prescribed to the patient, for example, Niacin, a lipid lowering therapy drug, this same encounter would appropriately be reported as shown below, instead of using T46.905A, as the additional ICD-10-CM code to L27.0

T46.6X5A Adverse effect of <u>antihyperlipidimic and antiarteriosclerotic</u> drugs, initial encounter

6. A biopsy reveals a septal and lobular mixed inflammatory infiltrate in the subcutis composed of lymphocytes and occasional histiocytes, with fat necrosis. PAS highlights the so-called "arabesque" pattern of hyaline adipocyte membrane necrosis. No interface change is seen at the basal layer, and no changes suggestive of vasculitis are seen. Gram stain is negative for bacteria, and colloidal iron does not reveal increased dermal mucin. Lobular panniculitis is a reaction pattern secondary to numerous disease processes. While advanced stasis dermatitis (lipodermatosclerosis) is favored histologically in this biopsy, the exact etiology is best determined clinically.

Based on physician clinical observation, condition is documented and diagnosed as panniculitis.

Final Diagnosis: Panniculitis

ICD-9-CM Code:

729.39 Panniculitis, other site

ICD-10-CM Code:

M79.3 Panniculitis, unspecified

Sometimes, even the histopathology documentation may not provide a final diagnosis. In these circumstances, it is appropriate to report a diagnosis based on the physicians' clinical observations.

7. Female patient presents with an eruption on the border of her scalp and forehead, present for five months. Physical exam reveals necrotic lesions going back into the scalp. Physician documents assessment as acne varioliformis; prescribes tetracycline and topical clindamycin.

Final Diagnosis: Acne varioliformis

ICD-9-CM code

706.0 Acne varioliformis

ICD-10-CM code:

L70.2 Acne varioliformis

ICD-10-CM codes for the type of acne or acneform eruption. Hence, the medical record documentation should include this type of information to allow for accuracy in code assignment.

8. 82 y/o female patient presents with linear, splayed, vertical patterns of lesions on her chest. States that over time, they have increased, get caught in her neck chain, are inflamed and cause pain. They started light tan in color, but have progressed to a dark brown color.

Final Diagnosis: Inflamed seborrheic keratosis

ICD-9-CM code:

702.11 Inflamed seborrheic keratosis

ICD-10-CM code:

L82.0 Inflamed seborrheic keratosis

9. Patient presents with severe itching, redness, and scaling for the last 3 weeks on both eyelids.. Patient has tried aloe vera without relief. On exam, findings show bilateral symmetric, pruritic, erythematous, scaly plaques on her upper eyelids. Upon investigation, patient states she started using a new brand of eye shadow.

Physician diagnosis is *allergic contact dermatitis due to her eye shadow*.

Final Diagnosis: Allergic contact dermatitis, cosmetics

ICD-9-CM code:

692.81 Dermatitis due to cosmetics

ICD-10-CM code:

L23.2 Allergic contact dermatitis due to cosmetics

H01.111 Allergic dermatitis of right upper eyelid

H01.114 Allergic dermatitis of left upper eyelid

In ICD-10-CM, you may find certain conditions that require multiple codes in order to accurately report a single condition. For example, some conditions that affect the eyelids do not contain a combination code. You would report 2 codes to fully and correctly define the condition being treated - one for the right upper eyelid and another code for left upper eyelid.

You will note that L23 - *Allergic contact dermatitis* has an Excludes2 note that indicates that dermatitis of the eyelid is not included (covered) under category L23. As such, since this patient presents with allergic contact dermatitis of the eyelid, you must code the contact dermatitis with L23, then code H01.11x to indicate the anatomic location for the eyelid dermatitis. Without the eyelid codes, this encounter would be considered incomplete coding.

10. 47 y/o male patient presents with ill-defined 3 mm diameter mole with irregular margins on right leg. Mole has varying shades of color, though mostly pink with flat and bumpy components.

Examples of ICD-10-CM Coding Documentation in Dermatology

Final Diagnosis: Atypical Nevus

ICD-9-CM code:

216.7 Benign neoplasm of skin of lower limb including hip

ICD-10-CM code:

D22.71 Melanocytic nevi of <u>right</u> lower limb, including hip

Laterality is a reality in ICD-10-CM coding. Codes are structured with the ability to capture and specify whether lesions are on the left or right side of the anatomic locations. Locations like head, scalp and trunk do not require lateral specifications.

For example, a benign neoplasm on the upper limb would be specific as to lateral location as follows:

D23.60 Other benign neoplasm of skin of <u>unspecified </u>upper limb, incl. shoulder

D23.61 Other benign neoplasm of skin of <u>right</u> upper limb, incl. shoulder

D23.62 Other benign neoplasm of skin of <u>left</u> upper limb, incl. shoulder

11. A patient presents with a basal cell carcinoma on the eyelid. Provider then excised the basal cell carcinoma of her lower eyelid as drawn into the subcutaneous fat. Suture was used to mark the specimen at its medial tip and this was labeled 12 o'clock. A defect was created to optimize the repair by excising dog-ears and thus it was considered a complex repair and the wound was closed in layers using 5-0 Monocryl and 6-0 Prolene. 6-0 Prolene was used in running suture to better maintain hemostasis.

Final Diagnosis: Basal Cell Carcinoma (BCC)

ICD-9-CM Code:

173.11 Basal cell carcinoma of eyelid, including canthus

ICD-10-CM Code:

C44.111 Basal cell carcinoma of skin of unspecified eyelid, including canthus

Note that the medical record above does not indicate exact location of the BCC of either the right or left eye. Based on this documentation, the most appropriate code would be to report the unspecified code C44.111 - BCC of unspecified eyelid, including canthus.

The problem with reporting this code, especially when a more specific diagnosis code is available, is that the claim may be held until a review of medical records is complete, which may result in a claim denial due to lack of specificity.

Assuming this patient has the BCC on the left eyelid, this same encounter would appropriately be reported as

C44.119 *Basal cell carcinoma of skin of left eyelid, including canthus*

12. A lesion in a patient's left flank area has now developed some central blistering, and there are some

satellite lesions in a dermatome distribution that are consistent with herpes zoster.

ICD-9-CM code:

709.9 Disorder of the skin and subcutaneous tissue, unspecified

ICD-10-CM code:

L98.9 Disorder of the skin and subcutaneous tissue, unspecified

The medical record indicates an uncertain diagnosis. Once the condition is confirmed, the diagnosis is selected for the specific condition.

Assuming the provider documents that this patient has herpes zoster, this encounter would appropriately be reported as

B02.9 Zoster without complications

13. Female patient presents for annual skin check. She has a history of malignant melanoma on the right cheek. Primary malignancy was previously excised or eradicated, no evidence of existing malignancy.

Final Diagnosis: History of malignant melanoma

ICD-9-CM code:

V10.82 Personal history of malignant melanoma of skin

ICD-10-CM code:

Z85.820 Personal history of malignant melanoma of skin

14. Patient returns to our office for recheck of her psoriasis. She has been using clobetasol foam and betamethasone-calcipotriene liquid. She mentions that they keep the scaling down on the psoriasis plaques, but that they do not make the plaques go away, and she would like them to be gone at this point. On examination, small plaque psoriasis on the right and left lower extremities, on the shins, calves, even noted on the right and left elbows. No activity noted on the chest, back, or abdomen.

Because of the long-term/current use of the topical steroids, at this point narrow band UVB light treatment would be the next appropriate step for treatment. She will check with her insurance company for coverage, and if covered, she will start treatments three times weekly.

Final Diagnosis: Psoriasis

ICD-9-CM:

696.1 Other psoriasis and similar disorders

V58.65 Long-term (current) use of steroids

ICD-10-CM:

L40.0 Psoriasis vulgaris

Z79.52 Long term (current use of systemic steroids)

Examples of ICD-10-CM Coding Documentation in Dermatology

15. This same patient returns with a complaint that the topical steroids are causing a rash on her skin. On examination, there is a rash on her right and left lower extremities. She also has small plaque psoriasis on the right and left lower extremities, in the shins, calves, and on the right and left elbows. No activity noted on the chest, back, or abdomen.

    Because of the allergic reaction to the long-term use of the topical steroids, patient will begin narrow   band UVB light treatment. Patient confirmed the treatment is covered by her insurance.

    Final Diagnosis: Allergic reaction caused by topical steroid, psoriasis

    ICD-9-CM:

    692.3 Contact dermatitis and other eczema due to drugs and medicines in contact with skin

    696.1 Other psoriasis and similar disorders

    V58.65 Long-term (current) use of steroids

    E946.0 Local anti-infectives and anti-inflammatory drugs causing adverse effects in therapeutic use

    ICD-10-CM:

    L25.1 Unspecified contact dermatitis due to drugs in contact with skin

    T49.0X5A Adverse effect of local anti-fungal, anti-infective and anti-inflammatory drugs

    L40.0 Psoriasis vulgaris

    Z79.52 Long term (current use of systemic steroids)

16. Significance of the alpha and numeric characters in ICD-10-CM

    The following example illustrates how the ICD-10-CM codes break down. The first 3 characters in the code define the category for the condition being managed. The 4th character defines specific anatomic location and the 5th character defines the etiology of that condition. Finally, the 6th character defines the laterality (left or right) for the condition. Though ICD-10-CM has the capability of containing up to 7 characters, most dermatology conditions will only require a maximum of 6 characters depending on the condition being reported. ❖

Stop! Don't discard that ICD-9-CM Diagnostic Coding book just yet!

You may be looking at your old ICD-9-CM books and may be dreaming of the day (October1st, 2015) when you'll be able to toss it and replace it with your new and shiny ICD-10-CM book. Well, you may just want to think that over. There will be a period of time where dual coding from both coding systems will be necessary. This overlap period should only be for as long as you have outstanding service claims and appeal settlements with dates of service on or before September 30th, 2015.

Since the use of the ICD-9-CM manual will be time sensitive, its use will depend on the patients' date of service (DOS). Claims with a date of service before October 1 will need to be coded in the ICD-9-CM system, whereas those claims with a date of service of October 1 or later will need to be coded with the ICD-10-CM system or risk claim denials. The different coding systems are not interchangeable. The Centers for Medicare and Medicaid Services (CMS) will not accept a claim with both coding system sets. It's either ICD-9-CM or ICD-10-CM.

In a dermatology practice, examples of a date of service to monitor are those claims that have been held for pathology and not submitted until after October 1. It would be easy to report them as ICD-10-CM. Another might be for patients seen in the hospital on September 30 with a follow up visit on October 2, 2015. These services will have to be reported separately on different claims. September 30 will be reported under the ICD-9-CM system and October 2nd service with the ICD-10-CM system.

Once we have the ICD-10-CM basics and all its changes, this would be a good time to revamp and streamline turnaround times processes for submitting claims and for management of denials. When doing so, you may want to consider implementing a turnaround time policy and if your practice already has one, determine what is the turnaround time for documenting medical records and submitting claims in your practice. For example, if a patient is seen today, the visit should be documented, coded, and submitted ideally within 24 hours, or at least, by the next business day at the latest. Creating and maintaining an internal process will help you decide which coding system to use depending on the date of service. The shorter the turnaround time, the less confusion there will be. This should also assist in any cash flow issues during this transition.

With the advent of ICD-10-CM, it may seem impossible for a 24 hour claim turnaround, but this may be a good time to review your past claim information to understand the pitfalls and fix them moving forward. Remember with ICD-10-CM, it's even more important that the medical record support the diagnosis reported. This is a learning process to correct or amend your claim processing system.

This ICD-9-CM to ICD-10-CM transition phase in will be over soon, but ICD-9-CM will still be active for Workers Compensation, Motor Vehicle claims and any prior audits, so don't throw that ICD-9-CM book out just yet! ❖

Revisit ICD-10-CM frequently used terms

It's time for a quick refresher of ICD-10-CM terminology. It's similar to ICD-9-CM, with a few descriptor changes. As of October 1st, 2015, clinical documentation needs to incorporate specific information in order to report the most specific dermatologic ICD-10-CM codes available. Although these instructions are similar to ICD-9-CM, there are differences. Coding conventions and guidelines are rules and instructions that must be followed to classify and assign the most appropriate code. Adherence to them is required under the Health Insurance Portability and Accountability Act (HIPAA).

ICD-10-CM, like ICD-9-CM is divided into the Alphabetic Index and the Tabular Index. The Alphabetic Index will locate the diagnosis but the Tabular Index is the structure of the code that needs to be understood to select and report the appropriate diagnosis code. This is where the fourth through seventh characters can be found. Use only the Tabular Index to apply diagnosis codes.

New terminology to review:

Laterality (Right, Left, Bilateral, and Unilateral) clinical documentation in ICD-10-CM requires dermatologists to determine and document which side of the body the condition being treated is located. Documenting right side, left side, bilateral or unilateral locations will be important. If this indication is omitted from the medical record, the condition would be considered unspecified. There is speculation that payers may not cover unspecified laterality diagnoses. This chart has some examples of laterality:

173.60 Unspecified malignant neoplasm of skin of upper limb, including shoulder.
C44.601 Unspecified malignant neoplasm of skin of upper limb, including shoulder
C44.602 Unspecified malignant neoplasm of skin of right upper limb, including shoulder
C44.609 Unspecified malignant neoplasm of skin of left upper limb, including shoulder

Anatomical Locations

Documenting and coding the anatomical site of a condition is common to dermatology. For the most part, the anatomical location code numbers remain the same: location of a lip is '0'; eyelid – '1'; ear – '2'; etc…

172.0	*Malignant melanoma of skin: lip*
C43.0	*Malignant melanoma of lip*
172.1	*Malignant melanoma of skin: eyelid including canthus*
C43.1X	*Malignant melanoma of eyelid includes canthus*
172.2	*Malignant melanoma of skin: ear & external auricular canal*
C43.2X	*Malignant melanoma of ear & external auricular canal*

Code First

The reason for the visit is determined by principal diagnosis or the first code sequenced in the medical record found in the plan and assessment. This guideline did not change from ICD-9-CM to ICD-10-CM. If there is no instruction with the ICD-10-CM code then the sequencing is based on the focus of treatment or condition that brought the patient into the office. If a definitive diagnosis has been established, signs and symptoms should not be used as a principal diagnosis.

Combination Codes

The term represents a single code used to classify multiple diagnoses, either a diagnosis with an associated sign and symptom or one with an associated condition. This code should be reported alone if it clearly identifies all the elements of the documented diagnosis.

Example: ICD-10-CM **pressure ulcer** codes are combination codes that include:

- the site (lower back) of the pressure ulcer;
- the location (right/left) of the pressure ulcer;
- the stage of the pressure ulcer.

707.03 Pressure ulcer, lower back
L89.132 Pressure ulcer of right lower back, stage II
707.22 Pressure ulcer stage II
L89.152 Pressure ulcer of sacral region, stage II

• Excludes1 and Excludes2, and Borderline Diagnosis Codes

As in ICD-9-CM, a variety of informational notes appear in both the Alphabetic Index and Tabular List of ICD-10-CM. These types of notes consist of inclusion notes, excludes notes, code first notes, use additional code notes, and cross reference notes. ICD-10-CM incorporates two types of excludes notes: Excludes1 and Excludes2. Each type of note has a different definition for use but again is similar to indicate codes excluded from each other.

Excludes1

An Excludes1 note is a pure excludes note. It means "NOT CODED HERE!" This note indicates that the code excluded should **never be** used at the same time as the code above the Excludes1 note. It's used when two conditions cannot occur at the same time, such as a congenital condition versus an acquired

Excludes2

An Excludes2 note represents "Not included here." This note indicates that the condition excluded is not part of the condition represented by the code, but a patient may have both conditions at the same time. When an Excludes2 note appears under a code, it is acceptable to use both the code and the excluded code together when appropriate.

692.89 Contact dermatitis: Unspecified cause *L25.X* *Excludes1: allergic contact* *   dermatitis (L23.-)* *   allergy NOS (T78.40* *   dermatitis NOS (L30.9)* *   irritant contact* *   dermatitis (L24.-)*
Excludes2: dermatitis due to ingest substance (L27.-) *   dermatitis of eyelid (H01.1-)* *   eczema of external ear (H60.5-)* *   perioral dermatitis (L71.0)* *   radiation-related disorders skin &* *   subcutaneous tissue (L55-L59)*

Revisit ICD-10-CM frequently used terms

Granularity
This term in ICD-10-CM refers to the hierarchy and the amount of information in the diagnostic description.

Encounter Type (Initial, Subsequent, Sequela)

The **Initial encounter** is the first time the patient is seen for a condition requiring active treatment. The appropriate 7th character of 'A' for initial encounter should also be assigned for a patient who delayed seeking treatment.

The **Subsequent care encounter** is after the patient has completed active treatment and is receiving routine care for the healing or recovery phase. Examples of aftercare are: medication adjustment, and follow-up visits following treatment. Character 'D' is reported as the 7th character for a subsequent visit.

A **Sequela care** is the residual effect (condition produced) after the acute phase of an illness or injury has terminated. Its 7th character is 'S.' There is no time limit for when a sequela "S" code can be used. The residual may be apparent early, such as an acute condition, or it may occur months or years later, such as that due to a chronic condition. Coding of sequela generally requires two codes sequenced in the following order: The condition or nature of the sequela is sequenced first. The sequela code is sequenced second. Note the ICD-10-CM code book as there are exceptions to this rule.

> *910.8 Superficial injury of face, neck, & scalp except eye; Other unspecified injury of face, neck, and scalp without mention of infection*
>
> *S00.431A Superficial injury of ear; Contusion of right ear for the Initial visit*
>
> *S00.431D for the subsequent visit*
>
> *S00.431S for any follow/up visit due to a chronic condition*

A 7th character on an ICD-10-CM code is usually required for a condition stemming from an injury or poisoning accident such as a drug overdose causing a reaction.

As this is a small example of the guidelines, please refer to the ICD-10-CM Coding Book for complete instructions. These guidelines can be found at these sites:

www.aad.org/members/practice-managementresources/coding-and-reimbursement/icd-10

www.cms.hhs.gov/Medicare/Coding/ICD10/Downloads/PCS-2014-guidelines.pdf

www.cdc.gov/nchs/data/icd/icd10cm_guidelines_2014.pdf ❖

Dermatology ICD-9-CM to ICD-10-CM Chapter Reference Sheet

ICD-9-CM			ICD-10-CM		
Chapter	Chapter Descriptor	ICD-9-CM Code Range	Chapter Descriptor		ICD-10-CM Code Range
CH1	Infectious and Parasitic Diseases	001-139	Certain infectious and parasitic diseases		A00-B99
CH2	Neoplasms	140-239	Neoplasms		C00-049
CH3	Endocrine, Nutritional and Metabolic Diseases and Immunity Disorders	240-279	Diseases of the Blood and Blood-forming Organs		D50-D89
CH4	Diseases of the Blood and Blood-forming Organs	280-289	Endocrine, Nutritional and Metabolic Diseases		EOO-E89
CH5	Mental Disorders	290-319	Mental and Behavioral Disorders		F01-F99
CH6	Diseases of Nervous System and Sense Organs	320-389	Diseases of the Nervous System		G00-G99
CH7	Diseases of the Circulatory System	390-459	Diseases of the Eye and Adnexa (now)		H00-H59
CH8	Diseases of the Respiratory System	460-519	Diseases of the Ear and Mastoid Process (new)		H60-H95
CH9	Diseases of the Digestive System	520-579	Diseases of the Circulatory System		I00-I99
CH10	Diseases of the Genitourinary System	580-629	Diseases of the Respiratory System		J00-J99
CH11	Complications of Pregnancy, Childbirth and the Puerperium	630-679	Diseases of the Digestive System		K00-K94
CH12	Diseases of the Skin and Subcutaneous Tissue	680-709	Diseases of the Skin and Subcutaneous Tissue		L00-L99
CH13	Diseases of Musculoskeletal and Connective Tissue	710-739	Diseases of the Musculoskeletal System and Connective Tissue		M00-M99
CH14	Congenital Anomalies	740-759	Diseases of the Genitourinary System		N00-N99
CH15	Newborn (Perinatal) Guidelines	760-779	Pregnancy, Childbirth and the Puerperium		O00-O9a
CH16	Signs, Symptoms and Il-Defined Conditions	780-799	Certain Conditions Originating in the Perinatal Period		P05-P96
CH17	Injury and Poisoning	800-999	Congenital Malformations, Deformations and Chromosomal Abnormalities		Q00-Q99
CH18	N/A		Symptoms, Signs and Abnormal Clinical and Laboratory Findings		R00-R99
CH19	N/A		Injury, Poisoning and Certain Other Consequences of External Causes		S00-T00
CH 20	N/A		External Causes of Morbidity		V00-Y99
CH 21	N/A		Factors Influencing Health Status and Contact with Health Services		Z00-Z99
	Index		Index		
	Neoplasm Table		Neoplasm Table		
	Table of Drugs and Chemicals		Table of Drugs and Chemicals		
	Index to External Causes		Index to External Causes		
	Supplementary Classification of Factors Influencing Health Status and Contact with Health Service	V01-V91			
	Supplemental Classification of External Causes of Injury and Poisoning	E000-E999			

Dermatology ICD-10-CM Quick Coder

Instructions: It is very important to read these instructions before using this coding sheet in order to understand its layout and abbreviations. Diagnoses which have different codes for different body locations are listed on the grid below. Diagnoses which are not location-specific are listed alphabetically on the Index sheet. Please read through the alphabetical list to familiarize yourself with the diagnoses. Many diagnoses have multiple names and not all of these names are included. For example "pruritus" is listed, but not "itch". Also many diagnoses could be listed in different categories. For example "atopic dermatitis" is listed but not "dermatitis – atopic". Not every diagnosis is listed. Only the most commonl ones are provided. "NOS" indicates "not otherwise specified".

Some diagnoses require secondary codes:

"*****"   Indicates this secondary code is required
"**+**"   indicates this secondary code should be added, if applicable
"**?**"   indicates this code requires an "**A**" indicating initial encounter"' "**D**" indicating "subsequent encounter" or "**S**" indicating "Sequela"
"**<**"   indicates a primary code needs to be listed first, if applicable
"**#**"   indicates there are a number of multiple, more specific codes within this diagnosis and that this listed code cannot be used. It will be necessary to use a different coding resource to find the more specific code that applies.
When a secondary code asks you to see a previous diagnosis that indicates the same secondary codes apply.

This coding sheet will require changes as ICD-10 coding is better understood. If you become aware of a change that is necessary, please contact Faith McNicholas at the AAD fmcnicholas@aad.org so those changes can be instituted in the next edition.

	Cellulitis	Furuncle Foliculitis	Abcess	Melanoma	Melanoma in-situ	BCC	SCC	SCC In-situ	Nevus	Benign lesion	Neoplasm uncertain behavior	Mass / Lump	Lipoma	Malignant NOS
Head / scalp	L03.811	L02.821*	L02.8II*	C43.4	D03.4	C44.41	C44.42	D04.4	D22.4	D23.4	D48.5	R22.0	D17.0	C44.40
Rt ear	H60.11	H60.01	H60.01	C43.21	003.21	C44.212	C44.222	D04.21	D22.21	D23.21	D48.5	R22.0	D17.0	C44.202
Lt ear	H60.12	H60.02	H60.02	C43.22	D03.22	C44.219	C44.229	D04.22	D22.22	D23.22	D48.5	R22.0	D17.0	C44.209
Rt eyelid	H00.033	H00.033	H00.033	C43.11	D03.11	C44.112	C44.122	D04.11	D22.11	D23.11	D48.5	R22.0	D17.0	C44.102
Lt eyelid	H00.036	H00.036	H00.036	C43.12	D03.12	C44.119	C44.129	D04.12	D22.12	D23.12	D48.5	R22.0	D17.0	C44:109
Nose	J34.0	J34.0	J34.0	C43.31	D03.39	C44.311	C44.321	D04.39	D22.39	D23.39	D48.5	R22.0	D17.0	C44.301
Lip	L03.211	L02.02*	L02.01*	C43.0	D03.0	C44.01	C44.02	D04.0	D22.0	D23.0	D48.5	R22.0	D17.0	C44.00
Face	L03.211	L02.02*	L02.01*	C43.30	D03.39	C44.310	C44.320	D04.39	D22.39	D23.39	D48.5	R22.0	D17.0	C44.300
Neck	L03.221	L02.12*	L02.11*	C43.4	D03.4	C44.41	C44.42	D04.4	D22.4	D23.4	D48.5	R22.1	D17.0	C44.40
Trunk	L03.319	L02.229*	L02.219*	C43.59	D03.59	C44.519	C44.529	D04.5	D22.5	D23.5	D48.5	R22.2	D17.1	C44.509
Breast	L03.319	L02.229*	L02.219*	C43.52	D03.52	C44.511	C44.521	D04.5	D22. 5	D23.5	D48.5	R22.2	D17.1	C44.501
Chest	L03.313	L02.223*	L02.213*	C43.59	D03.59	C44.519	C44.529	D04.5	D22.5	D23.5	D48.5	R22.2	D17.1	C44.509
Abdomen	L03.311	L02.221*	L02.211*	C43.59	D03.59	C44.519	C44.529	D04.5	D22.5	D23.5	D48.5	R22.2	D17.1	C44.509
Umbilicus	L03.316	L02.226*	L02.216*	C43.59	D03.59	C44.519	C44.529	D04.5	D22.5	D23.5	D48.5	R22.2	D17.1	C44.509
Back	L03.312	L02.222*	L02.212*	C43.59	D03.59	C44.519	C44.529	D04.5	D22.5	D23.5	D48.5	R22.2	D17.1	C44.509
Rt axilla	L03.111	L02.421*	L02.411*	C43.61	D03.61	C44.612	C44.622	D04.61	D22.61	D23.61	D48.5	R22.31	D17.21	C44.602
Lt axilla	L03.112	L02.422*	L02.412*	C43.62	D03.62	C44.619	C44.629	D04.62	D22.62	D23.62	D48.5	R22.32	D17.22	C44.609
Rt arm	L03.113	L02.423*	L02.413*	C43.61	D03.61	C44.612	C44.622	D04.61	D22.61	D23.61	D48.5	R22.31	D17.21	C44.602
Lt arm	L03.114	L02.424*	L02.414*	C43.62	D03.62	C44.619	C44.629	D04.62	D22.62	D23.62	D48.5	R22.32	D17.22	C44.609
Rt hand	L03.113	L02.521*	L02.511*	C43.61	D03.61	C44.612	C44.622	D04.61	D22.61	D23.61	D48.5	R22.31	D17.21	C44.602
Lt hand	L03.114	L02.522*	L02.512*	C43.62	D03.62	C44.619	C44.629	D04.62	D22.62	D23.62	D48.5	R22.32	D17.22	C44.609
Rt finger	L03.011	L02.521*	L02.511*	C43.61	D03.61	C44.612	C44.622	D04.61	D22.61	D23.61	D48.5	R22.31	D17.21	C44.602
Lt finger	L03.012	L02.522*	L02.512*	C43.62	D03.62	C44.619	C44.629	D04.62	D22.62	D23.62	D48.5	R22.32	D17.22	C44.609
Groin	L03.314	L02.224*	L02.214*	C43.9	D03.8	C44.91	C44.92	D04.8	D22.5	D23.5	D48.5	R22.2	D17.39	C44.90
Perineum	L03.315	L02.225*	L02.215*	C43.9	D03.8	C44.91	C44.92	D04.8	D22.5	D23.5	D48.5	R22.2	D17.39	C44.90
Buttock	L03.317	L02.32*	L02.31*	C43.59	D03.59	C44.519	C44.529	D04.5	D22.5	D23.5	D48.5	R22.2	DI7.1	C44.509
Perianal	K61.0	K61.0	K61.0	C43.51	D03.51	C44.510	C44.520	D04.8	D22.5	D23.5	D48.5	R22.2	D17.39	C44.500
Vulva	N76.4*	N76.4*	N76.4*	C51:9	D03.8	C51.9	C51.9	D07.30	D22.9	D28.0	D39.8	R22.9	D17.39	C51.9
Penis	N49.9*	N49.9*	N49.9*	C60.9	D03.8	C60.9	C60.9	D07.4	D22.9	D29.0	D40.8	R22.9	D17.39	C60.9
Scrotum	N49.2*	N49.2*	N49.2*	C63.2	D03.8	C63.2	C63.2	D07.61	D22.9	D29.4	D40.8	R22.9	D17.39	C63.2
Rt leg	L03.115	L02.425*	L02.415*	C43.71	D03.71	C44.712	C44.722	D04.71	D22.71	D23.71	D48.5	R22.41	D17.23	C44.702
Lt leg	L03.116	L02.426*	L02.416*	C43.72	D03.72	C44.719	C44.729	D04.72	D22.72	D23.72	D48.5	R22.42	D17.24	C44.709
Rt foot	L03.115	L02.621*	L02.611*	C43.71	D03.71	C44.712	C44.722	D04.71	D22.71	D23.71	D48.5	R22.41	D17.23	C44.702
Lt foot	L03.116	L02.622*	L02.612*	C43.72	D03.72	C44.719	C44.729	D04.72	D22.72	D23.72	D48.5	R22.42	D17.24	C44.709
Rt toe	L03.031	L02.621*	L02.611*	C43.71	D03.71	C44.712	C44.722	D04.71	D22.71	D23.71	D48.5	R22.41	D17.23	C44.702
Lt toe	L03.032	L02.622*	L02.612*	C43.72	D03.72	C44.719	C44.729	D04.72	D22.72	D23.72	D48.5	R22.42	D17.24	C44.709
NOS	L03.90	L02.92*	L02.91*	C43.9	D03.9	C44.91	C44.92	D04.9	D22.9	D23.9	D48.5	R22.9	D17.30	C44.90

* Requires B95-B97 to I.D. infectious agent: B95.8 Staph NOS B95.61 Staph MSSA B95.62 Staph MRSA B95.5 Strep NOS B96.89 bacteria NOS

Dermatology ICD-10-CM Quick Coder Index

In The Know...

ICD-10-CM Compliance date is October 1, 2015

On October 1, 2015, the mandatory transition from ICD-9-CM to ICD-10-CM will occur and dermatology practices will be required to start using the ICD-10-CM code set. Claims submitted on and after this date are required to be reported with ICD-10-CM diagnoses codes. Failure to submit claims with the appropriate ICD-10-CM codes will render your claims unprocessable and could result in significant financial disruption to your practice. As of this transition date, all claims must be submitted with ICD-10 codes, as claims submitted with ICD-9-CM codes will not be processed.

Are you ready for the transition to ICD-10-CM?

There are several notable milestones that you need to pass prior to your transition to ICD-10-CM. This means that the necessary documentation and programming upgrades must be installed and functioning in the various systems throughout your practice in order for you to be able to send and receive the ICD-10-CM codes in the necessary HIPAA covered transactions and reporting processes.

To assist you in achieving a smooth and effective transition, the American Academy of Dermatology (AAD) has many resources ready to assist you before that occurs. You can access them at *http://www.aad.org/members/practice-management-resources/coding-and-reimbursement/icd-10/preparing-for-icd-10*

Below are a few things you need to ensure for successful ICD-10-CM implementation:

➢ Ensure that your system is capable of sending and receiving ICD-10-CM diagnoses code sets. Speak to your practice management software vendor to ensure the new code set is downloaded and ready for use prior to October 1, 2015.

It is important to test any manual and automated workflow processes used in your practice. For example, those used to collect and report diagnosis codes for various reasons, such as "superbills," encounter forms, and data reporting forms to ensure they are ready and do not pose challenges after you 'go live'. Issues with these processes will result in claim submission delays and erroneous diagnosis claim applications.

➢ Ensure that your clinical documentation meets the rigorous ICD-10-CM requirements. Take a moment, review your clinical documentation. Your medical record documentation must provide you the ability to append an ICD-10-CM code to its highest specificity for the patient condition that is being treated.

The biggest challenge that physicians face in ICD-10-CM clinical documentation will affect the need to document the following elements:

American Academy of Dermatology
PO Box 4014
Schaumburg, Illinois 60168-4014

✓ **granularity** – be specific with the description of the condition being treated. Improved granularity allows for more specific diagnosis code choices. If unsure, it is recommended that claim submission be held for final histopathologic report, where applicable.

✓ **location** – ensure that the clinical documentation specifies the location for the condition being managed to allow for accuracy in ICD-10-CM diagnoses code selection.

✓ **laterality** – ICD-10-CM coding conventions and guidelines require that dermatology conditions when diagnosed, list the anatomic location that would clinically consist of lateral locations being defined. Locations like the head, scalp and trunk do not require lateral specifications.

For more information on smooth ICD-10-CM implementation, visit *https://www.aad.org/members/practice-and-advocacy-resource-center/payment-and-reimbursement/coding-resource-center/icd-10*

Now you are In The Know!

EXAMPLE OF ICD-10-CM FOR BASAL CELL CARCINOMA

CHARACTERS	CATEGORY			ETIOLOGY, ANATOMICAL SITE & SEVERITY			EXTENSION
	1ST	2ND	3RD	4TH	5TH	6TH	7TH
Other and unspecified malignant neoplasm of **skin**	C	4	4				
Other and unspecified malignant neoplasm of **upper limb, including shoulder**	C	4	4	.	6		
Basal cell carcinoma of upper limb, including shoulder	C	4	4	.	6	1	
Basal cell carcinoma of skin of **right** upper limb, ,including shoulder	C	4	4	.	6	1	2

TABLE 1: Significance of the alpha and numeric characters in ICD-10-CM

Derm Coding Consult: Summer 2015