The Top 20 ICD-10 Documentation Issues That Cause DRG Changes

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Learning Objectives

• At the completion of this educational activity, the learner will be able to:
  – Identify the top 20 ICD-10 documentation issues that cause DRG changes
  – Assess mitigation strategies for addressing these changes
  – Evaluate ICD-9 to ICD-10 translation flaws that can cause unsupported DRG changes
  – Determine education requirements to improve documentation
  – Assess strategies for determining other DRG changes in ICD-10

Agenda

• Review of CMS study regarding DRG changes
• Discussion of reasons for MS-DRG changes
• Review of top 20 documentation changes in ICD-10
  • Case analysis
  • Mitigation opportunities
• Determine education requirements to improve documentation
• Evaluate strategies for determining other DRG changes in ICD-10
Evaluation of the Causes of DRG Shifts

Causes of DRG Shifts in ICD-10

• According to a blog by Rhonda Butler
  – “DRG shifts almost always occur because something has been “lost in translation” from ICD-9 to ICD-10.”

• Three basic causes for these shifts
  1. “The translation itself is flawed” – if coded natively in ICD-10, the difference would not have occurred
  2. “You can’t say that in ICD-10” – changes in actual terminology have changed
  3. “The translation is not used in the same way” – ICD-10 coding guidelines or coding classification change
Reasons for MS-DRG Changes

- Changes in coding guidelines
- Increased specificity of ICD-10
- Decreased specificity of ICD-10
- Changes in meaning of diagnostic descriptions
- Changes in MCC/CC designations
- Changes in ICD-10 MS-DRG attributable to ICD-9 coding errors
- Changes in ICD-10 MS-DRG attributable to ICD-10 coding errors

ICD-10 MS-DRG Reimbursement

- Developed by CMS using ICD-10-CM and ICD-10-PCS for inpatient hospital payment
- While not categorized as budget neutral, it should replicate ICD-9 MS-DRG reimbursement
- Recent study shows aggregate of -0.04% change in reimbursement comparing ICD-9 MS-DRG to ICD-10 MS-DRG
- MS-DRG categories are not changing
Specific Findings From Study

- Impact determined using version 30 of MS-DRGs
- 99% of cases showed no change in MS-DRG
- Of 1% that did change
  - 45% shifted to higher-weight MS-DRGs
  - 55% shifted to lower-weight MS-DRGs
- Aggregate weight change was 0.10%
- Net weight change was -0.04%

MS-DRG Shifts

Figure 1. Frequency and direction of shifts varied across MS-DRGs
Top 10 MS-DRG Shifts

- MS-DRG 812 Red blood cell disorders w/o MCC
- MS-DRG 981 Extensive OR procedure unrelated to principal diagnosis w/MCC
- MS-DRG 391 Esophagitis, gastroenteritis, & misc digest disorders w/MCC
- MS-DRG 885 Psychoses
- MS-DRG 066 Intracranial hemorrhage or cerebral infarction w/o CC/MCC

Top 10 MS-DRG Shifts

- MS-DRG 191 Chronic obstructive pulmonary disease w/CC
- MS-DRG 011 Tracheostomy for face, mouth, and neck diagnoses w/MCC
- MS-DRG 974 HIV w/major related condition and MCC
- MS-DRG 292 Heart failure and shock w/CC
- MS-DRG 037 Extracranial procedures w/MCC
Ways to Determine Change

- **Ideal method**: Natively code the patient record using ICD-9 and natively code the patient record in ICD-10 and compare the two resulting DRGs.

- **Translation method**: Start with ICD-9 coded data and translate to ICD-10 using an enhanced translation methodology. This needs to take into account specificity changes as well as coding guideline changes.

Case Studies of Documentation Changes
Documentation Issues That Cause MS-DRG Change

**#1 Esophageal hemorrhage:** In ICD-9, there is a specific code for esophageal hemorrhage, and this is identified as a major complication/comorbidity (MCC) in calculating the MS-DRG.

- **Cause** – In ICD-10, the coding system has no code for unspecified esophageal hemorrhage, and it is reported as other specified disease of the esophagus
- **Mitigation** – If the underlying cause can be determined, such as esophageal varices or ulcer, then the MCC will remain
- **Outcome** – If this is the only MCC for a particular case, then the resultant MS-DRG would be without CC/MCC

Two Types of MS-DRG Change for Esophageal Hemorrhage

- **Change in specificity**
  - Specific code identified in ICD-9 but reported as non-specific in ICD-10

Assumes blended rate of $4,500
Two Types of MS-DRG Change for Esophageal Hemorrhage

- Change in MCC designation
  - Since this is reported as “other diseases” in ICD-10, it is no longer an MCC when listed as a secondary diagnosis.

  ICD-9 MS-DRG is better

Assumes blended rate of $4,500

Documentation Issues That Cause MS-DRG Change

#2 Malignant hypertension: In ICD-9, there is a specific code for malignant hypertension, and this is identified as a complication/comorbidity (CC) in calculating the MS-DRG.

- **Cause** – In ICD-10, the coding system has no specific code for malignant hypertension. All different types of hypertension are identified using the code I10, with no distinction between benign or malignant.

- **Mitigation** – No documentation changes will impact.

- **Outcome** – If this is the only CC for a particular case, then the resultant MS-DRG would be without CC/MCC.
Documentation Issues That Cause MS-DRG Change

#3 Major depression: In ICD-9, there is a specific code for major depression, unspecified, and this is a CC.

- **Cause** – In ICD-10, the coding system has no specific code for unspecified depression so it is reported under major depression, unspecified. This code is no longer a CC in ICD-10.

- **Mitigation** – If the major depression can be identified as single or recurrent episode, mild, moderate, or severe, then it remains a CC.

- **Outcome** – If this is the only CC for a particular case, then the resultant MS-DRG would be without CC/MCC.

Documentation Issues That Cause MS-DRG Change

#4 Angina and coronary artery disease: In ICD-9, there are two codes for these two conditions, and either can be sequenced as the principal diagnosis.

- **Cause** – In ICD-10, these two conditions are reported as a combination code, which is found under the MS-DRG 302/303, atherosclerosis

- **Mitigation** – Since a causal relationship between angina and CAD can be assumed in ICD-10, there is no way to change this outcome

- **Outcome** – MS-DRG changes from 311 in ICD-9 to 303 in ICD-10
#5 Asthma exacerbation and COPD with acute bronchitis: In ICD-9, these two conditions are reported with separate codes.

- **Cause** – In ICD-10, these two conditions both translate to a COPD code, so one does not serve as the CC for the other.

- **Mitigation** – Under COPD category J44, there is an instructional note that states “code also type of asthma.” If the type of asthma is reported with status asthmaticus or exacerbation, then the CC remains.

- **Outcome** – Without more specific detail, the MS-DRG changes from 191 in ICD-9 to 192 in ICD-10.

#6 Anemia in chronic disease: In ICD-9 anemia is reported as the principal diagnosis, while in ICD-10 the chronic condition is sequenced as the principal diagnosis.

- **Cause** – Coding guidelines in ICD-10 state that if anemia is associated with a malignancy, the malignancy should be sequenced first. There are also “code first” instructions under category D63, anemia in chronic disease.

- **Mitigation** – No documentation changes will impact.

- **Outcome** – In most cases, the MS-DRG for the malignancy will have a higher relative weight than the anemia MS-DRG.
Clinical Examples of DRG Changes in ICD-10

• Coding rule change
  – In ICD-10, malignancy must be sequenced as PDX over the anemia

ICD-10

MS-DRG 182 Respiratory Neoplasms without CC/MCC
RW 0.8275

ICD-9

MS-DRG 812 Red blood cell disorders without MCC
RW 0.7872

• Lung cancer
• Anemia
$3,723

Assumes blended rate of $4,500

Documentation Issues That Cause MS-DRG Change

#7 Infection of neurostimulator device: In ICD-9, there is a specific code for the infection of a neurostimulator or nervous system device, but not in ICD-10.

• Cause – Since there is no specific code for infection of a neurostimulator device, the condition must be reported as “other internal prosthetic devices”

• Mitigation – No documentation changes will impact

• Outcome – The MS-DRG reported in ICD-9 is 91/92/93 in the nervous system, but in ICD-10 infection of other device is reported in MS-DRG 919, 920, 921 under MDC 21, Injuries and Poisonings
Documentation Issues That Cause MS-DRG Change

#8 Hepatic encephalopathy: In ICD-9 hepatic coma and hepatic encephalopathy are reported using the same code, while in ICD-10 the condition is reported as hepatic failure with and without coma.

- **Cause** – While hepatic coma is included with hepatic encephalopathy in ICD-9, it is not in ICD-10
- **Mitigation** – Documentation will have to detail if hepatic failure is acute or chronic and with and without coma
- **Outcome** – If the condition is reported as a secondary diagnosis, it will only be considered an MCC if it is with a coma or is designated as acute

Documentation Issues That Cause MS-DRG Change

#9 Candidal sepsis: In both ICD-9 and ICD-10, candidal sepsis can be reported as a specific diagnosis.

- **Cause** – In ICD-9 two codes are required to report candidal sepsis, disseminated candidiasis 112.5 and sepsis 995.91. In ICD-10 only one code is needed, and that is B37.7.
- **Mitigation** – No documentation changes will impact.
- **Outcome** – In ICD-9, candidal sepsis is classified to MS-DRG 867 Other infectious and parasitic diseases w/MCC, while in ICD-10, it is classified to MS-DRG 871 Septicemia or severe sepsis w/MCC, causing a decrease in relative weight from 2.55861 to 1.8803.
#10 Crohn’s disease and abscess of colon: In ICD-9 there are two codes to report Crohn’s disease and abscess of colon, while in ICD-10 there is one combination code to report both.

- **Cause** – In ICD-9 either code can be sequenced as the principal diagnosis, but in ICD-10 there is only one code.
- **Mitigation** – No documentation changes will impact.
- **Outcome** – If abscess is sequenced as the principal diagnosis in ICD-9 with Crohn’s as a secondary, the MS-DRG generated is MS-DRG 372 Major gastrointestinal disorders w/CC. When reported as a combination code in ICD-10, the MS-DRG is 386 Inflammatory bowel disease w/CC.

#11 Schizophrenia: In ICD-9 schizophrenia is reported by type and acuity, while in ICD-10 it is only reported by type.

- **Cause** – In ICD-9 if the acuity of schizophrenia is specified, such as chronic unspecified, it is a CC. In ICD-10 schizophrenia is only a CC if it is coded to specific type.
- **Mitigation** – Query for type of schizophrenia.
- **Outcome** – If schizophrenia is reported by acuity only as a secondary diagnosis code in ICD-9, it is assigned as a CC. In ICD-10 if schizophrenia is not reported by type, it is not assigned as a CC.
#12 Ulcer with obstruction: In ICD-9, intestinal ulcers are reported as with and without obstruction. In ICD-10, there is no specific code for ulcer with obstruction.

- **Cause** – In ICD-10, if intestinal obstruction is documented, the coding instructions state Excludes1 “code to condition”
- **Mitigation** – No documentation changes will impact
- **Outcome** – A peptic ulcer reported in ICD-9 as with obstruction is reported in MS-DRG 380/381/382 Complicated peptic ulcer, but is reported in ICD-10 as MS-DRG 383/384/385 Uncomplicated peptic ulcer

#13 Alveoplasty: In ICD-9, there is a specific code for alveoplasty, which is a reshaping of the alveolar ridge of the jaw. In ICD-10, this is reported as a repair or supplement of the jaw bone.

- **Cause** – In ICD-10-PCS, surgery is coded based on the body system, which in this case is the head and facial bones, and specifically the mandible or maxilla
- **Mitigation** – No documentation changes will impact
- **Outcome** – In ICD-9 the MS-DRG is reported in MS-DRG 137/138 Mouth procedures, but in ICD-10 the MS-DRG changes to 131/132 Cranial/Facial procedures
#14 Suture of skin: In ICD-9, a skin suture is not generally assigned to a surgical MS-DRG, while in ICD-10 it is in some cases.

- **Cause** – In ICD-10-PCS, laceration repair is coded to the root operation of repair with identification of the body system and body part
- **Mitigation** – No documentation changes will impact
- **Outcome** – In ICD-9 suture of nose laceration is not reported as a surgical MS-DRG, while in ICD-10 if repair of nose, external approach is reported the MS-DRG is assigned to 133/134 Other, ear, nose, mouth and throat procedure

#15 Rib fracture: In ICD-9, rib fractures are reported by the number of ribs involved, but in ICD-10 these are reported as one or multiple rib fractures.

- **Cause** – Change in coding specificity
- **Mitigation** – No documentation changes will impact
- **Outcome** – If reported as the principal diagnosis, two closed rib fractures are reported under MS-DRG 205/206/207 in ICD-9 and under MS-DRG 183/184/185 Major chest trauma in ICD-10, as these are reported as multiple closed rib fractures
#16 Iatrogenic pulmonary embolism: In ICD-9 iatrogenic pulmonary embolism has a specific code, while in ICD-10 there are two codes to report this condition.

- **Cause** – The actual cause of the PE is identified with a complication code with the specific type of pulmonary embolism identified as a second code.
- **Mitigation** – Sequencing changes the MS-DRG.
- **Outcome** – In ICD-9, iatrogenic pulmonary embolism is reported under MS-DRG 175/176. In ICD-10, if the cause is identified as post-procedural and that is sequenced first, the MS-DRG is reported as 299/300/301.

#17 Perirectal fistula repair: In ICD-9 there is a specific surgical code for repair of a perirectal fistula. In ICD-10 this is coded to the repair of rectum.

- **Cause** – In ICD-10-PCS any body part identified as “peri” is coded to the body part named.
- **Mitigation** – If the operative report details a more specific type of surgery than repair, then it should be reported.
- **Outcome** – In ICD-9 a perirectal fistula repair is reported under MS-DRG 347/348/349 Anal and stomal procedures. In ICD-10 the MS-DRG changes to 329/330/331 Major small and large bowel procedures.
Documentation Issues That Cause MS-DRG Change

#18 Marsupialization of liver cyst: In ICD-9 there is a specific surgical code for marsupialization. In ICD-10 this is either coded to the root operation of drainage or excision.

- **Cause** – In ICD-10-PCS surgical procedures are identified by body system, body part, root operation, and approach.
- **Mitigation** – The operative report should be reviewed to determine exact procedure performed.
- **Outcome** – In ICD-9 marsupialization is reported under MS-DRG 405/406/407. If reported as an excision or open drainage, the same DRG is reported in ICD-10. If drainage is reported as percutaneous or percutaneous endoscopic, the surgery will not impact the MS-DRG.

Documentation Issues That Cause MS-DRG Change

#19 Diverticulitis of the colon with perforation and peritonitis: In ICD-9, this is reported with two codes, one for the diverticulitis and one for the peritonitis. In ICD-10, one code is used to report both.

- **Cause** – In ICD-10-CM, peritonitis is included with diverticulitis with perforation.
- **Mitigation** – No documentation changes will impact.
- **Outcome** – In ICD-9 this condition falls under MS-DRG 391 Esophagitis, gastroenteritis & misc digestive disorder w/MCC. In ICD-10 it falls under MS-DRG 392 w/o MCC.
#20 Opioid dependence: In ICD-9 and ICD-10, there is a code for opioid dependence.

- **Cause** – In ICD-10 drug dependence is reported as uncomplicated or with complications
- **Mitigation** – No documentation changes will impact
- **Outcome** – In ICD-10, if this is reported as a secondary diagnosis, it will be identified as a complication/comorbidity, but it is not a CC in ICD-9 unless identified as continuous

**Conclusion**
DRG Variance in 2012 MedPAR Data

- Top 10 gains by volume
  - 881 Depression
  - 192 COPD
  - 683 Renal failure
  - 684 Renal failure
  - 066 Stroke
  - 392 Esophagitis
  - 303 Cellulitis
  - 293 Heart failure
  - 175 PE
  - 310 Arrhythmia
- Top 10 losses by volume
  - 885 Psychosis
  - 812 Anemia
  - 811 Anemia
  - 191 COPD
  - 065 Stroke
  - 311 Angina
  - 206 Other respiratory
  - 391 Esophagitis
  - 292 Heart failure
  - 389 GI obstruction

- Top 10 gains by dollars
  - 881 Depression
  - 192 COPD
  - 987 Non extensive OR
  - 683 Renal failure
  - 175 PE
  - 064 Stroke
  - 988 Non extensive OR
  - 066 Stroke
  - 684 Renal failure
  - 392 Esophagitis
- Top 10 losses by dollars
  - 885 Psychosis
  - 811 Anemia
  - 812 Anemia
  - 191 COPD
  - 065 Stroke
  - 981 Extensive OR
  - 867 Other infections
  - 314 Other circulatory dx
  - 391 Esophagitis
  - 579 Other skin proc.
Strategies to Determine Other DRG Changes

- Determine top MS-DRG for your hospital
- Evaluate 5–10 cases for each MS-DRG
- Code natively in both ICD-9 and ICD-10
- Compare the resultant variance to determine cause
- Look for mitigation strategies to change the outcome of the variance
- Look for educational opportunities to improve documentation
- Look for opportunities to improve templated documentation

References

Thank you. Questions?

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