

## Home Health ICD-9/ICD-10 Alert

### Coding 101: Master M0246 And Maximize Your Case Mix Points

Don't fill up your slots with V codes.

Still uncertain about how to make best use of the additional case mix slots that M0246 (Case mix diagnoses) brings? If you're like many coders, you're feeling the weight of responsibility -- what you report can make or break the company. Proper sequencing is the key to navigating these new items.

"Say I have eight diagnosis codes -- what's the best way to determine what to list in sixth position?" asks **Diane Kelly**, director of nursing for **Atkinson's Home Health** in Orange Park, FL.

Some patients have many more than six diagnoses or a combination of many co-morbidities and V codes that relate to aspects of their care. So, you must be careful when selecting the top six diagnoses, says **Judy Adams, RN, BSN, HCS-D**, with **LarsonAllen** in Charlotte, NC.

**Background:** Only the six diagnoses that you list as official OASIS diagnoses are counted in calculating case mix -- the one diagnosis listed at M0230 (the primary diagnosis) and the five secondary or other diagnoses in M0240.

**M0246 bonus:** If a V code in one of the six M0230/M0240 spots replaces a case mix diagnosis, you can also gain case mix points by listing the diagnosis it replaces in M0246.

However, only the three V codes that are now part of the ap-proved case mix list (V55.0, Attention to tracheostomy; V55.5, Attention to cystostomy; and V55.6, Attention to other artificial opening of urinary tract) automatically add reimbursement to a home health episode. Some of the other V codes might add reimbursement if they are on the official list of V codes that can potentially replace a case mix code. But none of the V codes ever add risk adjustment to outcomes, says Adams. So, one key to better sequencing is to list most V codes last in your sequencing.

**Coding example:** Your new patient is recovering from a recent knee replacement. You are providing nursing for aftercare and therapy for abnormality of gait. He also has diabetes and hypertension.

Old way: Before M0246, you might have sequenced your codes as follows, Adams says:

- M0230a: V54.81 (Aftercare following joint replacement);
- M0240b: V43.65 (Organ or tissue replaced by other means; joint; knee);
- M0240c: V58.83 (Encounter for therapeutic drug monitoring);
- M0240d: V58.61 (Long-term [current] use of anticoagulants);
- M0240e: 781.2 (Abnormality of gait);
- M0240f: 250.00 (Diabetes mellitus without mention of complication; type II or unspecified type, not stated as uncontrolled); and
- M0245: 781.2.

In this example, you would have listed hypertension on the plan of care but it wouldn't make it to the top six slots.

**New way:** Try looking at your patient in terms of risk adjustment, Adams suggests. Considering risk adjustment, a better

sequence of codes would be:

This sequencing allows you to get risk adjustment for four medical conditions and additional case mix points, Adams says. There's no room for V58.61 in the top six slots, but you can still list it on the plan of care.

This sequencing allows you to get risk adjustment for four medical conditions and possible case mix points for three diagnoses, Adams says. Points for the osteoarthritis and the abnormal gait are contingent on the presence of other clinical conditions listed in lines 19 and 20 in Table 2A, Case Mix Variables and Scores. There's no room for V43.65 (Organ or tissue replaced by other means; joint; knee) in the top six slots, but you can still list it on the plan of care.

**Note:** You don't need to list anything in M0246 on the same lines as V58.83 and V58.61, because these V codes are not replacing case mix codes. The anticoagulant is being provided as a prophylactic measure and not to treat a medical condition.

**Don't forget:** In scenarios like this, the underlying diagnosis for the V54.81 code isn't abnormality of gait but instead the reason that the patient had to have the joint replacement, says **Lisa Selman-Holman, JD, BSN, RN, HCS-D, COS-C**, consultant and principal of **Selman-Holman & Associates** in Denton, TX. If that reason is degenerative joint disease (DJD) of the hip or knee or a trauma fracture, then you should put that code in M0246.

The DJD code provides risk adjustment for musculoskeletal conditions, and the fracture code provides risk adjustment for fractures/injuries, Selman-Holman says. There are potential case mix points as well, but because both code categories are from the Ortho 1/Ortho 2 code categories, it's not likely that you'll gain case mix points.

#### More Slots Mean More Opportunities

While coding processes have changed, your coding attitude doesn't have to. "When coding, I don't want to look at it for money. For my own peace of mind I want to look at it as what's our number one focus, our number two focus -- then the reimbursement is going to follow," says Kelly.

CMS designed the PPS revisions to make it harder to use coding to secure higher case mix points, so Kelly's outlook makes sense. It is also consistent with the CMS directions that ask you to code the primary focus of care first, followed by other medical conditions you are addressing in the plan of care -- or that influence the patient's prognosis or rehabilitation potential whether they are directly addressed in the plan of care or not, says Adams. On the plus side, with M0246, you now have more opportunities to gain case mix points.

**Old way:** You could list a case mix code in M0245 only when a V code replaced this diagnosis as the primary focus of care or in certain mandatory multiple coding situations.

**New way:** The M0245 payment diagnosis is gone -- replaced by a larger grid that allows a case mix code to be counted if a V code replaces it in any of the six official diagnosis locations on the OASIS.

**Coding example:** Your patient has a healing hip fracture and a laceration of the abdomen due to trauma. You would complete the grid as follows, Adams says. Note: See the article below for details on the grid format.

You can't use the fracture as a current diagnosis because there is an official coding guideline that reserves the fracture codes for active treatment, Adams says.

**Tip:** If a V code replaces a manifestation, the etiology goes in Column 3, and the manifestation in Column 4.

