Home Health ICD-9/ICD-10 Alert

Diagnosis Coding: Follow These 8 Coding Steps To Avoid Losing Money This Fall

Agencies hope for a lull in new patients and recerts at the end of September.

If your staff aren't up to speed on vital diagnosis coding changes soon, it could mean a code blue for your bottom line. Remember, coders must use new codes for all requests for anticipated payment and claims for episodes beginning after Oct. 1.

Home health agency staff must be using the new ICD-9 codes by Oct. 1 on the dot, stresses **Ida Blevins**, supervisor of reimbursement and information management for **St. John's Hospital Home Health Services** in Springfield, IL.

Protect yourself: Reimbursement will be affected if agencies do not submit the appropriate codes on and after 10-1-04, Blevins warns. Claims billed with invalid codes will be returned to provider (RTP'd), requiring correction and resubmission.

To avoid reimbursement delays and coding snarls, experts offer these tips:

1. Review new codes. Look over the new codes, which are available online at www.cms.hhs.gov/medlearn/icd9code.asp, urges consultant **Prinny Rose Abraham** with **HIQM Consulting** in Minneapolis. Then have coders review and discuss the ones most likely to affect home care, Blevins suggests (see Article 1.)

2. Keep claims clean. Officials from the **Centers for Medicare & Medicaid Services** have indicated that as long as the end-of-episode claim is a "clean" claim and therefore accepted by the system, the agency will not have to change ICD-9 codes even when the end of episode occurs after Oct. 1, 2004, Adams advises.

Costly alternative: If the claim has problems that prevent the system from accepting it, agencies may have to change to the new diagnosis codes for episodes spanning the Oct. 1 change date, she adds.

3. Review outgoing codes. "It is just as critical to review the invalid diagnoses list" as to review the new codes, maintains **Jennifer Andres**, health information and compliance coordinator for **St. Luke's Home Health Services** in Duluth, MN.

"Coding staff have a tendency to memorize frequently used codes, thus coding by memory instead of verifying codes using the code book alpha and tabular indexes," Andres cautions. If you don't alert them to outgoing codes, you'll lose a good deal of time and resources fixing and resubmitting claims with outdated codes.

4. Order new coding books. "[We order] our new code books as soon as possible," Andres relates. Backlogged orders are common around implementation time. Some agencies may order just new updates to their books, Abraham notes.

5. Update internal resources. Coding information resides in a myriad of places, and if you miss updating one of them it could result in returned claims. Plan your date to update computer servers, desktops and laptops, Abraham advises. If you allow crib sheets, update those as well, she adds.

Remember, system changes must be in place by Oct. 1 because the grace period is now gone, warns consultant **Lynda Dilts-Benson** with St. Petersburg, FL-based **Reingruber & Co.**

Urgent: HHAs should certainly be in contact with their software vendors immediately to ensure that they will have an update including the new codes to install for any home health episode (new or recert) starting on or after Oct. 1, 2004, Adams advises.

6. Educate staff. Training your staff on the new codes may be the most important step. At St. John's, specific coders handle all coding and the agency schedules discussion groups for their training, Blevins says.

Time your training based on the numbers of coders involved and the type of training you provide.

However you arrange your coding training, you must finish it before the implementation date for the first time this year, Andres reminds agencies. "It is essential to review the coding changes prior to Oct. 1 with coding staff, and clinical staff, as appropriate," she says.

7. Identify affected patients. Agencies should develop a plan to identify all current patients who have one of the diagnoses that are changing, Adams says. If that patient will be on service after Oct. 1, the agency will need to update the code for any recert occurring after that date.

Run diagnosis-specific reports to identify these patients, suggests consultant **Pat Sevast** with **American Express Tax & Business Services** in Timonium, MD. "Existing patients are most at risk of receiving incorrect coding," she warns.

8. Keep it up after Oct. 1. Your job isn't done once the deadline rolls around. When the system changes take effect, St. Luke's Andres tests some known coding changes to ensure her software vendor fully implemented the updates, she tells **Eli**.

And the most beneficial process of all might be the simplest, Andres adds: She throws out the outdated coding books as soon as the new codes take effect.

Tip: Keep track of what worked and what didn't. Starting next year, HHAs must begin undertaking this process twice a year, Blevins notes. In 2005, you'll have to deal with code updates in April as well as in October.