

Home Health Coding and OASIS Expert

ICD-10: Watch for New Seventh Character Guidelines

Last minute update could cost you case mix points.

While much of the logic in the ICD-10 code set is comfortably similar to that of ICD-9, there are a few areas where you'll need to look at code selection differently. Now you can add a new twist to your ICD-10 code selection when it comes selecting the correct seventh character.

Old way: In preparing for the ICD-10 transition, you've likely been told over and over that home health coders will never assign seventh digit "A" indicating initial encounter.

New way: Originally, home health coding experts believed that seventh character "A" would never be appropriate in home health because these patients had already been seen for treatment in another setting. However, the **National Association for Home Care & Hospice** (NAHC) recently reported that the organizations responsible for the official ICD-10 coding guidance issued a clarification requiring home health agencies to indicate an "A" (initial encounter) in the seventh character for some ICD-10 codes, according to the Aug. 21 NAHC Report member newsletter.

"An 'A' in the seventh character should be used for any encounter where the patient is still receiving active treatment for the clinical condition, including home health. While in many cases this would not apply to home health, there are times where it could, such as antibiotic treatment for a postop infection," NAHC said.

Turn to the Guidelines

In the section on coding for pathologic fractures in the ICD-10-CM Official Guidelines for Coding and Reporting, you'll find the following instruction: "While the patient may be seen by a new or different provider over the course of treatment for an injury, assignment of the 7th character is based on whether the patient is undergoing active treatment and not whether the provider is seeing the patient for the first time."

Tip: Guidance from the AHA Coding Clinic for ICD-10-CM and ICD-10-PCS indicates that you'll still use seventh character "D" as the default for fractures.

And in the section on the application of seventh characters in Chapter 19, the guidelines also advise "For complication codes, active treatment refers to treatment for the condition described by the code, even though it may be related to an earlier precipitating problem. For example, code T84.50XA, Infection and inflammatory reaction due to unspecified internal joint prosthesis, initial encounter, is used when active treatment is provided for the infection, even though the condition relates to the prosthetic device, implant or graft that was placed at a previous encounter."

Tip: Examples provided by the Coding Clinic include a patient receiving IV antibiotics in another care setting after the hospital for an infected joint replacement. In this case, because the care was ongoing, the seventh character would be "A," the Coding Clinic says. Another example describes a patient three years post-op from a gastric bypass whose wound dehiscid. The patient leaves the hospital for another care setting. In this case, seventh character "A" is appropriate because the patient is receiving ongoing care provided in the setting following the hospitalization.

None of these examples are home health specific, however a question was submitted to the Coding Clinic regarding a patient with an infected joint replacement being admitted to home health with IV antibiotics. Seventh character "A" is

also appropriate in this case, according to the Coding Clinic. The **Board of Medical Specialty Coding and Compliance** has approached the **American Health Information Management Association** (AHIMA), NAHC and the **Centers for Medicare & Medicaid Services** (CMS) regarding the interpretation. CMS indicates that it will stand by the guidance, but has not yet issued an official interpretation, says **Lisa Selman-Holman, JD, BSN, RN, COS-C, HCS-D, HCS-O, AHIMA Approved ICD-10-CM Trainer/Ambassador** of **Selman-Holman & Associates, LLC, CoDR** [Coding Done Right](#) and **Code Pro University** in Denton, Texas.

Keep an Eye on These Issues

As confusing as the current guidance [is](#) or lack thereof [is](#), this latest development opens up even more issues.

Problem: The lack of concrete guidance on selecting an appropriate seventh character in home health means that the Oct. 1 ICD-10 implementation deadline may arrive without coders knowing what they should report in the seventh character position for complications, Selman-Holman says. The guidance that agencies do have presents a slippery slope, she says. For example, IV antibiotics will clearly require an "A" in the seventh character position of the code for the complication being treated. But what if the patient is changed to oral antibiotics prior to returning home [is](#) that considered ongoing care?

Another problem: In addition to the issues brought about by this uncertain guidance, ICD-10 codes with "A" as the seventh character aren't included in the case mix grouper. This means that those patients who are more acutely ill and require more care will not receive case mix points, Selman-Holman says.

If codes with "A" as the seventh character don't receive case mix or Nonroutine Supplies (NRS) points, that means claims spanning Oct. 1 to Dec. 31 2015 with a diagnosis for wound dehiscence, post-op infection of surgical wound, or a non-healing a surgical wound could be negatively impacted, NAHC said.

Possible solution: CMS will consider changing the case mix scoring for the Jan. 1 case mix changes, and possibly make the change retroactive, agencies hope.

Note: The code for non-healing surgical wound is not currently case mix. CMS has been notified that it needs to be changed to case mix, Selman-Holman says.

All affected claims will likely need to be adjusted, since there is little time left to make changes to the grouper before the ICD-10 deadline, NAHC predicts. Watch future issues of Home Health Coding and OASIS Expert for more on this issue as it develops.