

ICD-9 vs ICD-10: Colorado Workers' Compensation

What is the Situation for Payers and Providers?

October 1, 2015, is the compliance date for implementation of ICD-10 for all Health Insurance Portability and Accountability Act (HIPAA)-covered entities. Although Workers' Compensation insurers/payers are considered non-covered entities, it may be in the provider's best interest to use the new coding system since ICD-9 will no longer be maintained after ICD-10 is implemented. The Colorado Workers' Compensation Fee Schedule has never adopted into rule a version of any diagnosis code set except as specified by the billing form used, or to set maximum fees for inpatient hospital bills.

Applicable rules regarding *International Classification of Diseases* (ICD) codes:

Rule 16-6 HANDLING, PROCESSING AND PAYMENT OF MEDICAL BILLS (E) states:

The payer should note that the current in-effect International Classification of Diseases (ICD) codes, when submitted, shall not be used to establish the work relatedness of an injury or treatment

Rule 16-7 REQUIRED BILLING FORMS AND ACCOMPANYING DOCUMENTATION states:

(A) Providers may use electronic reproductions of any required form(s) referenced in this section; however, any such reproduction shall be an exact duplication of such form(s) in content and appearance. With the agreement of the payer, identifying information may be placed in the margin of the form.

(B) Required Billing Forms - All health care providers shall use only the following billing forms or electronically produced formats when billing for services:

(1) CMS (Centers for Medicare & Medicaid Services) -1500 shall be used by all providers billing for professional services, durable medical equipment (DME) and ambulance services, with the exception of those providers billing for dental services or procedures; hospitals are required to use the CMS-1500 when billing for professional services. Health care providers shall provide their name and credentials in the appropriate box of the CMS-1500.

(2) UB-04 - shall be used by all hospitals, hospital-based ambulance/air services, Children's Hospitals, CAHs, Veterans' Administration Medical Facilities, home health and facilities meeting the definitions found in section 16-2, when billing for hospital services or any facility fees billed by any other provider, such as ASCs, except for urgent care which may use the CMS-1500.

The most current and probably most available version of the CMS 1500 billing form is the 02/012 version. This version allows for either ICD-9 or ICD-10 CM codes to be billed. The flexibility of the 02/012 CMS 1500 billing form enables both providers and payers to work together in implementing the ICD-10 as it is rolled out in other insurance and healthcare systems.

Rule 18-6(l) specifically references Medicare Severity Diagnosis Related Groups (MS-DRGs) Definitions Manual, Version 33.0 developed and published by 3M Health Information Systems using MS-DRGs effective after 10/1/2015 for Medicare, but effective 1/1/2016 for Colorado Workers' Compensation. The ICD-10 PCS is necessary for implementation of version 33; therefore, it is clear that ICD-10 PCS is adopted for maximum fee calculations of in-patient hospital bills.

Rule 16-11(B) &(C) require "clear and persuasive" reasons for contesting payment of a billed medical service or procedure. The Division of Workers' Compensation ("Division") has taken the position that denial for lack of either an ICD-9 or ICD-10 code will not meet that standard. Therefore, any payer who rejects a billed service for this reason could be in violation of Rule 16-11(B) or (C).

The Division encourages all healthcare providers and payers to move toward utilizing and accepting ICD-10 codes as implemented by Medicare. The increased detail in ICD-10 is of significant value to all workers' compensation payers and providers both for clarity of diagnosis and care.