

June 1, 2015
MB# 15-025

MEDICAID BULLETIN

ALL

TO: All Providers

SUBJECT: ICD-10 Clinical Modification/Procedure Coding System

On Jan. 16, 2009, the U.S. Department of Health and Human Services (HHS) published a final rule on the International Classification of Diseases, 10th Edition, Clinical Modification/Procedure Coding System (ICD-10 CM/PCS), requiring all Health Insurance Portability and Accountability Act (HIPAA)-covered entities to adopt the ICD-10-CM/PCS (diagnosis/inpatient procedure codes) by Oct. 1, 2015.

- ICD-10-CM is for use in all U.S. health care settings. Diagnosis coding under ICD-10-CM uses three to seven digits instead of the three to five digits used with ICD-9-CM, but the format of the code sets is similar.
- ICD-10-PCS is for use in U.S. inpatient hospital settings only. ICD-10-PCS uses seven alphanumeric digits instead of the three or four numeric digits used under ICD-9-CM procedure coding. Coding under ICD-10-PCS is much more specific and substantially different from ICD-9-CM procedure coding.

Effective Oct. 1, 2015, claims submitted to the South Carolina Department of Health and Human Services (SCDHHS) must include the ICD-10 diagnosis or procedure codes for any claim with a date of service or date of discharge on or after Oct. 1, 2015. A claim with a date of service or date of discharge before Oct. 1, 2015, must contain ICD-9 codes. Claims submitted with an ICD-9 code after Oct. 1, 2015, must have a service date before Oct. 1, 2015.

- Claims submitted with ICD-9 codes that contain a Date of Service or Date of Discharge of Oct. 1, 2015, or after will be rejected.
- Claims submitted with ICD-10 codes that contain a Date of Service or Date of Discharge of Sept. 30, 2015, or before will be rejected.
- Claims submitted with both ICD-9 and ICD-10 codes will be rejected. Two different claims must be submitted based on Dates of Service or Date of Discharge.

For professional claims submitted on or after Oct. 1, 2015, the provider must include the appropriate ICD Indicator in Field 21 of the CMS-1500 form as indicated below:

<u>Indicator</u>	<u>Code Set</u>
9	ICD-9-CM diagnosis
0	ICD-10-CM diagnosis

SCDHHS requires prior authorization (PA) for some services. In preparation for the ICD-10 compliance date of Oct. 1, 2015, PA ICD-related information entered on behalf of a Medicaid member where the PA date period spans the Oct. 1, 2015, compliance date (e.g., date of service or date of discharge encompasses dates before and after Oct. 1, 2015), separate PAs will need to be created and transmitted to SCDHHS as follows:

- For services before Oct. 1, 2015, ICD-9 codes will be included on the active PA. The PA will have an end date up to Sept. 30, 2015.
- For services on or after Oct. 1, 2015, ICD-10 codes will be included on the active PA. The PA will have a start date beginning Oct. 1, 2015.

SCDHHS has established a dedicated webpage, <https://www.scdhhs.gov/icd-10>, to communicate key information to providers related to the preparation and implementation of ICD-10. SCDHHS will inform providers of the status of its ICD-10 implementation through announcements and/or alerts and will update relevant information on the ICD-10 webpage. Providers should monitor this page to view important SCDHHS ICD-10 information as it becomes available. For additional information concerning the implementation of ICD-10 from the Centers for Medicare and Medicaid Services (CMS) please visit [RoadtoICD10](#).

This bulletin applies to the ICD-10 implementation for Fee-For-Service (FFS). SCDHHS also contracts with several managed care organizations that provide services for South Carolina Medicaid members; the state's contracted MCOs will also implement these federally mandated changes. Please contact each Managed Care Organization (MCO) for their instructions regarding ICD-10 implementation.

If you have any questions concerning this announcement, please contact the Provider Service Center at (888) 289-0709 and reference issue code PS286. Thank you for your continued support of the South Carolina Healthy Connections Medicaid Program.

/s/
Christian L. Soura
Director