

A L E R T

September 10, 2015

TO: All Providers

RE: ICD 10 Implementation on October 1, 2015

On October 1, 2015, Alabama Medicaid will comply with federal law and replace ICD-9 code sets used to report diagnosis and inpatient procedures with ICD-10 code sets. All providers, with the exception of dental and pharmacy providers, are affected by this change.

Claims with dates of service prior to October 1, 2015, must continue to use ICD-9 codes.

Under ICD-10, diagnosis codes will be more detailed. Valid ICD-10 diagnosis codes will contain 3 to 7 characters and must be taken out to the full number of characters required for the code. The claim will deny if this level of information is not provided.

Surgical procedure codes will be substantially different with ICD-10. Surgical procedure codes under ICD-10 use 7 alphanumeric digits instead of the 3 or 4 numeric digits under ICD-9.

In response to requests from the provider community, CMS released additional guidance in July that allows flexibility in Medicare claims auditing and quality reporting process as the medical community gains experience using the new ICD-10 code set. While the guidance speaks specifically to Medicare, it is the intent of Alabama Medicaid Agency to follow a similar policy. To that end, program integrity auditors and contractors will not disallow physician or other practitioner claims as long as the provider used a valid ICD-10 code from the right family of codes.

A “family of codes” is the same as the ICD-10 three-character category. Codes within a category are clinically related and provide differences in capturing specific information on the type of condition. However, the code may require more than three characters to be valid.

Other guidance for providers related to the implementation of ICD-10 is available on the Agency’s website at www.medicaid.alabama.gov > Providers > ICD-10.