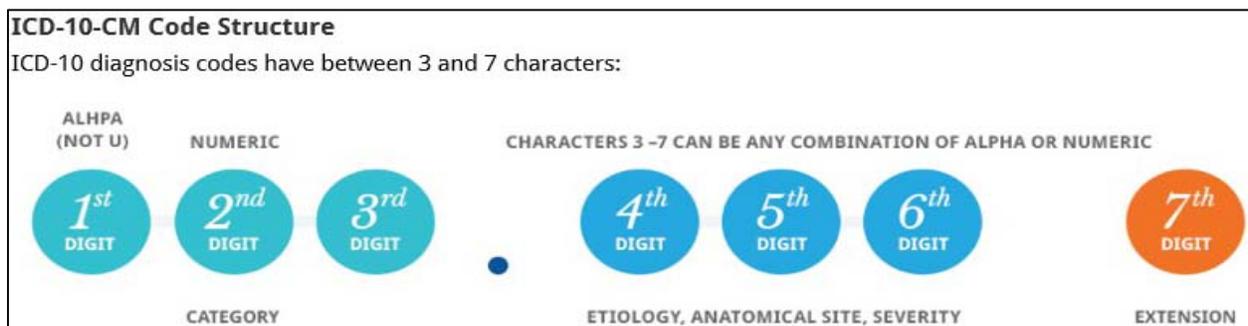


National implementation of ICD-10 code set for October 1, 2015

Medical providers in Alabama and throughout the country will soon shift to an updated standardized medical code set for medical diagnoses and inpatient hospital procedures to comply with requirements of the Health Insurance Portability Accountability Act (HIPAA).

The October 1, 2015 implementation date for the new ICD-10 codes is the culmination of a multi-year transition effort for Alabama Medicaid and other payers. The new ICD-10 code set replaces the old ICD-9 code set that has not been updated in the U.S. for more than 35 years. The ICD-9 set contains outdated and obsolete terms that are considered to be inconsistent with current medical practice. All providers, with the exception of dental and pharmacy providers, are affected by this change.

Compared to previously used codes, the new ICD-10 diagnosis codes will be more detailed, ultimately providing more precise indications of severity or complications along with the site of injury or surgery. Valid ICD-10 diagnosis codes contain three to seven characters and must be taken out to the full number of characters required for the code. In addition, surgical procedure codes will be substantially different with ICD-10 using seven alphanumeric digits instead of the three or four numeric digits under ICD-9. Claims filed to Medicaid will be denied if this level of information is not provided.



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 uses 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 [this link](#).