

## ICD9 Coding Tips for Physicians & Risk Adjustment Factors (RAF)

ICD9 codes are increasing being used by many payors, including CMS, for purposes other than paying individual claims. These other uses include quality assessment, risk adjustment, and efficiency measures. Beginning in 2002, CMS began **adjusting payments** to contracted Health Plans and Medical Group HMO Providers using an ICD9 based Risk Adjustment Factor ("RAF") methodology.

Currently, due to illness burden, accurate coding for Medicare HMO patients results in very significant increased payments to UCLA. These payments have helped us in increasing the reimbursement rates for *all* UCLAMG HMO services. The choice of the **ICD9 diagnosis codes for professional services is generally under physician control**. Because CMS **re-sets** the codes each year it is not a one-time activity. It is applicable every year.

1. Always report "**chronic conditions**" (e.g. atrial fibrillation, CHF, rheumatoid arthritis, COPD, old MI, Diabetes Mellitus and its complications) at least once each year.

- TIP: Review the patients "**problem list**" for chronic conditions that have not been reported and coded, at least once yearly.
- TIP: Review **ongoing prescription drugs** for hints that a chronic medical condition has not been reported and coded (e.g. beta blocker use for "old MI", submit the ICD9 code for "old MI" as it will risk adjust the payment).
- TIP: Always report **special "patient status" ICD9 codes** (e.g. stroke residual effects, paraplegia, colostomy, amputations) at least once each year.

2. Many ICD9 used in the RAF score come from **Hospital encounter data**. Encourage everyone, including trainees when applicable, to provide detailed and complete **discharge summaries and operative notes**.

3. Always report the **highest degree of diagnostic certainty** for each visit or service. It does not matter if the "final" diagnosis is something else (e.g. if your working diagnosis is "angina", use that code instead of non-specific chest pain until angina is excluded). R/O ICD9 codes do not exist.

4. If a problem is **due to** another, make that clear with specific ICD9 coding. For example, if peripheral neuropathy is *due to* Diabetes, use the code for diabetes with that complication, not Diabetes and Peripheral Neuropathy separately. If you aren't sure of the coding, write it out, e.g. "Diabetes complicated by peripheral neuropathy". Similarly, **always report conditions that are the cause the current clinical problem** (e.g. the *decubitus* or *chronic skin ulcer* that causes cellulitis or sepsis).

5. Code "**metastatic [type] cancer – site [specify]**" when appropriate. Do not use codes for cancer at two different sites (e.g. lung and brain) when the patient has metastatic cancer involving lung and brain.

6. ICD9 codes for **Trauma, Motor Vehicle Accidents, Falls, and Substance Abuse (e.g. alcohol)** also risk adjust our payments and should be reported.