

BD+A

Documentation & Coding



**Endorsed Business
Partner Program**
of the Indiana Hospital Association

An Overview of HCC Risk Adjustment- Documentation and ICD-10-CM Coding

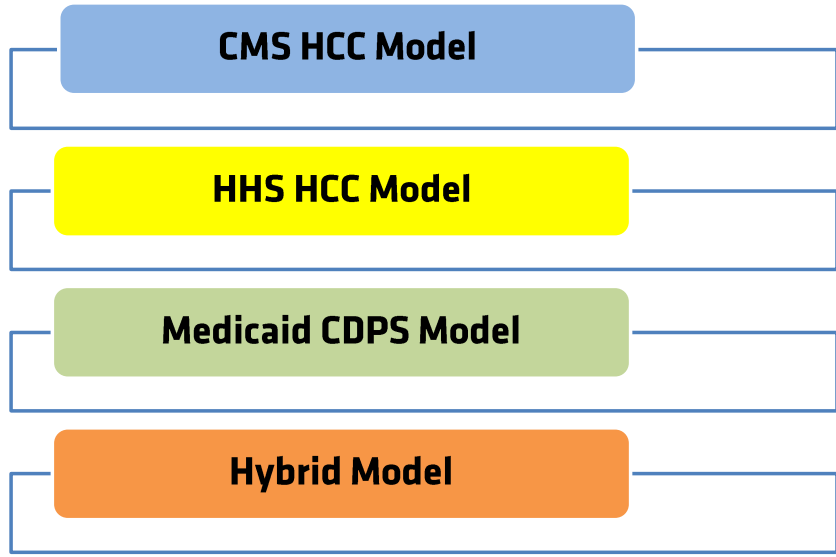
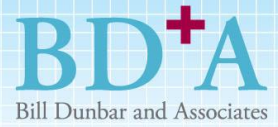
Presented by: Kathy Kuntz, CPC, CRC, CPCD

HCC Risk Adjustment Overview

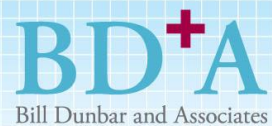


Fee for Service	HCC Risk Adjustment
<ul style="list-style-type: none"> • Providers are paid based on services performed. • Payment is based on CPT code accuracy. • Critical that documentation support the level of service and procedures performed. • ICD-10-CM codes reported to support the medical necessity of the service provided. 	<ul style="list-style-type: none"> • Concentrates on patient's current conditions. • Payment is based on the overall complexity of the patient's conditions over a year's period. • Uses patient demographics and diagnosis codes to establish payment.

HCC Risk Adjustment Overview (cont'd)



HCC Risk Adjustment Overview (cont'd)



CMS Model HCC Requirements

- Services must be reported by an acceptable provider type
- There must be a face-to-face encounter with the patient
- Provider signature, credential, and date signed must be on record
- Documentation must clearly show the condition is current
- Each page of the patient's medical record must have two identifiers:
 - ✓ Member's name
 - ✓ Member's date of birth
 - ✓ Medical record number
 - ✓ Account number

Acceptable Provider Types for HCC Risk Adjustment					
CODE	SPECIALTY	CODE	SPECIALTY	CODE	SPECIALTY
79	Addiction Medicine	40	Hand Surgery	20	Orthopedic Surgery
C7	Advanced Heart Failure and Transplant Cardiology	82	Hematology	12	Osteopathic Manipulative Therapy
3	Allergy/Immunology	83	Hematology/Oncology	4	Otolaryngology
5	Anesthesiology	C9	Hematopoietic Cell Transplantation and Cellular	72	Pain Management
64	Audiologist	17	Hospice and Palliative Care	22	Pathology
21	Cardiac Electrophysiology	C6	Hospitalist	37	Pediatric Medicine
78	Cardiac Surgery	44	Infectious Disease	76	Peripheral Vascular Disease
6	Cardiology	11	Internal Medicine	25	Physical Medicine and Rehabilitation
89	Certified Clinical Nurse Specialist	C3	Interventional Cardiology	65	Physical Therapist
42	Certified Nurse Midwife	9	Interventional Pain Management (IPM)	97	Physician Assistant
43	Certified Registered Nurse Anesthetist	94	Interventional Radiology	24	Plastic and Reconstructive Surgery
35	Chiropractic	80	Licensed Clinical Social Worker	48	Podiatry
68	Clinical Psychologist	85	Maxillofacial Surgery	84	Preventive Medicine
28	Colorectal Surgery	90	Medical Oncology	26	Psychiatry
81	Critical Care (Intensivists)	C8	Medical Toxicology	62	Psychologist
C5	Dentist	39	Nephrology	29	Pulmonary Disease
7	Dermatology	13	Neurology	92	Radiation Oncology
93	Emergency Medicine	86	Neuropsychiatry	66	Rheumatology
46	Endocrinology	14	Neurosurgery	C0	Sleep Medicine
8	Family Practice	36	Nuclear Medicine	15	Speech Language Pathologist
10	Gastroenterology	50	Nurse Practitioner	23	Sports Medicine
1	General Practice	16	Obstetrics/Gynecology	91	Surgical Oncology
2	General Surgery	67	Occupational Therapist	33	Thoracic Surgery
38	Geriatric Medicine	18	Ophthalmology	99	Unknown Physician Specialty
27	Geriatric Psychiatry	41	Optometry	34	Urology
98	Gynecologist/Oncologist	19	Oral Surgery	77	Vascular Surgery

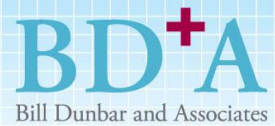
HCC Risk Adjustment Overview (cont'd)



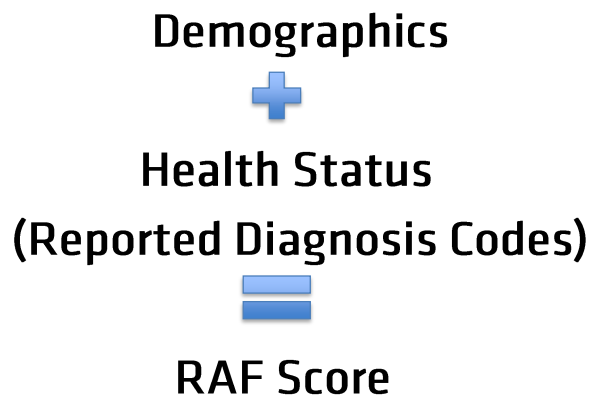
What is CMS HCC Risk Adjustment?

- ✓ A process that CMS uses to reimburse Medicare Advantage plans based on the demographics and health status of members.
- ✓ Is a prospective model-uses this information from the prior year to predict the costs for a beneficiary for the following year.
- ✓ It identifies individuals with serious or chronic illness and assigns them a Risk Adjustment Factor Score, or RAF, based on his or her disease burden, as well as demographic factors.

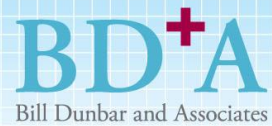
HCC Risk Adjustment Overview (cont'd)



The RAF is used to predict future healthcare costs for the patient.



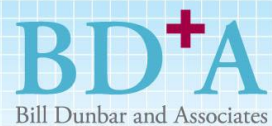
HCC Risk Adjustment Overview (cont'd)



Demographic Factors that Contribute to RAF Score

- ✓ Age
- ✓ Sex
- ✓ Disabled status
- ✓ Original reason for entitlement
- ✓ Medicaid eligibility
- ✓ Patient's housing status
 - Community
 - Institution
- ✓ Long term care
- ✓ ESRD

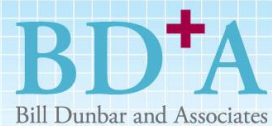
HCC Risk Adjustment Overview (cont'd)



Diagnosis Factors that Contribute to RAF Score

- ✓ Reported CMS HCC diagnosis codes for chronic and acute conditions
- ✓ Disease Interactions
- ✓ Multiple reported HCC Payment Conditions (Alternative Payment Condition Count (APCC))

HCC Risk Adjustment Overview (cont'd)



- ICD-10-CM diagnosis codes reported over a year's period contribute to a patient's RAF score.
- The reported diagnosis codes are mapped to a hierarchical conditional category (HCC).

HCC's are groupings of clinically similar diagnoses.

HCC Risk Adjustment Overview (cont'd)



Diabetes
without
Complications
HCC 19

Schizophrenia
HCC 57

COPD
HCC 111

Amputation
Status, Lower
Limb/
Complications
HCC 189

Diabetes
with
Complications
HCC 18

CKD
Multiple HCCs

Severe Head
Injury
HCC 166

Major Depression
Bipolar and
Paranoid
Disorders
HCC 59

Cancers
Multiple HCCs

CHF
HCC 85

HIV
AIDs
HCC 1

Substance Use
Disorders
Moderate/Severe
or with
Complications
HCC 55

Morbid
Obesity
HCC 22

Vascular
Disease
HCC 108

Vascular
Disease with
Complications
HCC 107

HCC Risk Adjustment Overview (cont'd)

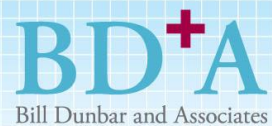


Chronic Obstructive Pulmonary Disease CMS HCC Category 111

ICD-10-CM Diagnosis Code	Description
J410	Simple chronic bronchitis
J411	Mucopurulent chronic bronchitis
J418	Mixed simple and mucopurulent chronic bronchitis
J42	Unspecified chronic bronchitis
J430	Unilateral pulmonary emphysema [MacLeod's syndrome]
J431	Panlobular emphysema
J432	Centrilobular emphysema
J438	Other emphysema
J439	Emphysema, unspecified
J440	Chronic obstructive pulmonary disease with acute lower respiratory infection
J441	Chronic obstructive pulmonary disease with (acute) exacerbation
J449	Chronic obstructive pulmonary disease, unspecified
J982	Interstitial emphysema
J983	Compensatory emphysema

12

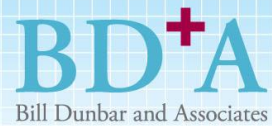
HCC Risk Adjustment Overview (cont'd)



Disease Hierarchy

- Addresses situations when multiple levels of severity for a disease, with varying levels of associated costs, have been reported for a beneficiary within the same calendar year.
- Conditions are **categorized hierarchically** and the highest severity takes precedence over other conditions in the hierarchy.
- Some categories supersede other categories.

HCC Risk Adjustment Overview (cont'd)

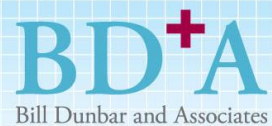


Disease Hierarchy (cont'd)

Example:

- Patient at beginning of the year with DM without complications.
- Over the year, the patient's condition progresses to DM with neuropathy.

HCC Risk Adjustment Overview (cont'd)



Disease Hierarchy (cont'd)

Only the DM with complications will be considered towards the Risk Score. The HCC for the diabetes without complication will be dropped.

Only the most severe HCC is counted in the calculation of the RAF score.

HCC Risk Adjustment Overview (cont'd)



Disease Interactions

Additional value/weight is given for some disease interactions/combinations due to the two conditions, when occurring together, require more resources than the value/weight for each condition alone would suggest.

Example: A patient with CHF in addition to Diabetes

*The combination of these two diseases adds additional value /weight to the patient's overall **RAF score**.*

HCC Risk Adjustment Overview (cont'd)



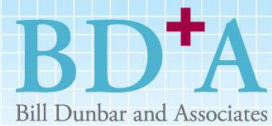
Multiple Payment HCCs

Additional value/weight may be given for patient's who have at least four payment HCCs.

Example:

# Payment HCCs	Example Value
4	0.006
5	0.042
6	0.077
7	0.126
8	0.214
9	0.258
10 or more	0.505

HCC Risk Adjustment Overview (cont'd)



Not all ICD-10-CM codes CMS HCC Risk Adjust.

There are more than 10,000 ICD-10-CM codes that map to over 80 HCC categories in the CMS HCC Risk Adjustment model.

HCC Risk Adjustment Overview (cont'd)



How is a Risk Factor Score Determined Based on Diagnosis Codes?

- ICD-10-CM codes are submitted with claims
- The ICD-10-CM codes are mapped to a Hierarchical Conditional Category (**HCC**)
- Each **HCC** is assigned a value/weight.
- The HCCs are cumulative-the more HCCs-the higher the patient's Risk Factor Score (**RAF**)

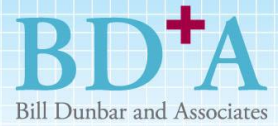
HCC Risk Adjustment Overview (cont'd)



How is a Risk Factor Score Determined?

- The Risk Score, or **RAF**, is then used by CMS to determine the payment made to Medicare Advantage Plans.
- The higher the **RAF**, the more resources are projected to be needed to manage the patient's health-which results in higher payment.

HCC Risk Adjustment Overview (cont'd)



ICD-10-CM Code	HCC	Value/Weight	RAF Score
Diabetes w/out complications E11.9	HCC19 <i>Diabetes w/out complications</i> E11.9	.106	XXXX
Diabetes with Complications E11.40	HCC18 <i>Diabetes with Complications</i> E11.40	.307	+
Acute Gastric Ulcer with Perforation K25.1	HCC 33 <i>Intestinal Obstruction Perforation</i> K25.1	.243	+
		Total:	.550

HCC - Hierarchical Condition Category
RAF - Risk Adjustment Factor

HCC Risk Adjustment Overview (cont'd)



ICD-10-CM Code	HCC	Value/Weight	RAF Score
Diabetes w/out Complications E11.9	HCC19 <i>Diabetes w/out Complications</i>	.106	XXXX
Diabetes with Complications E11.39	HCC18 <i>Diabetes with Complication</i>	.307	+
Congestive Heart Failure I50.9	HCC85 <i>Congestive Heart Failure</i>	.310	+
	Disease Interaction	.152	+
	Total:		.769

HCC - Hierarchical Condition Category

RAF - Risk Adjustment Factor

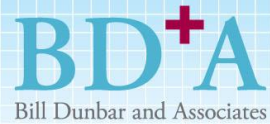
Demographics	HCC	No Conditions Coded	Some Conditions Coded	All Conditions Coded
76 Year Old Female	-	0.442	0.442	0.442
Medicaid Eligible	-	0.151	0.151	0.151
DM without Complications	19	X	0.106	X
DM with Complications	18	X	X	0.307
Morbid Obesity	22	X	0.262	0.262
CHF	85	X	X	0.310
Intestinal Obstruct/Perfor	33	X	X	0.243
Disease Interactions	-	X	X	0.152
Multiple Payment HCC (4)	-	X	X	0.006
Total RAF Score	-	0.593	0.961	3.241

Documentation and Coding for HCC Risk Adjustment



- HCC Risk Adjustment reimbursement depends on complete and accurate reporting of patient diagnoses.
- Thorough documentation and accurate ICD-10-CM code assignment is critical to predicting the risk and future cost associated with a patient's care.
- All reported ICD-10-CM diagnoses and the plan of care related to the diagnoses must be documented in the patient's medical record at least once every calendar year.

Documentation and Coding for HCC Risk Adjustment (cont'd)



Documentation in the medical record must:

- ✓ Support all diagnosis codes reported-including specificity.
- ✓ Should accurately reflect the acuity of the patient's condition.
- ✓ Must stand alone for each date of service.

Documentation and Coding for HCC Risk Adjustment (cont'd)



When coding for CMS HCC Risk Adjustment it is appropriate to code for current/active conditions regardless of where they are documented in a progress note.

- ✓ HPI
- ✓ ROS
- ✓ Exam
- ✓ Assessment
- ✓ Plan

Documentation and Coding for HCC Risk Adjustment (cont'd)



Example:

Documentation in the **Exam portion** of a note states:

Ileostomy is without inflammation

ICD-10-CM Code: Z93.2 Ileostomy status

*This Diagnosis Code CMS HCC Risk Adjusts
(maps to HCC 188 – Artificial Openings for Feeding or Elimination)*

Documentation and Coding for HCC Risk Adjustment (cont'd)



Documentation of each condition should be supported.

MEAT

Documentation should support at least one of the following:

Monitor – signs, symptoms, disease progression, and disease regression

Evaluate – tests results, medications, response to treatment

Assess – order tests, discussion, records reviewed, and counseling

Treat – medications, therapies, other modalities

Documentation and Coding for HCC Risk Adjustment (cont'd)



- ICD-10-CM Coding Guidelines should be followed when coding for services performed.
- AHA Coding Clinic Guidelines should also be followed/referenced.

All diagnosis codes submitted must be documented in the medical record and must be documented as a result of a face-to-face visit.

Documentation and Coding for HCC Risk Adjustment (cont'd)

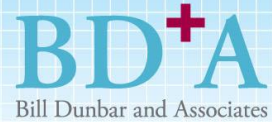


*ICD-10-CM Guidelines-Section IV –Diagnostic Coding and
Diagnostic Coding and Reporting Guidelines for
Outpatient Services*

Code all Documented Conditions

J. Code all documented conditions that co-exist at the time of the encounter/visit, and require or affect patient care treatment or management. Do not code conditions that were previously treated and no longer exist. However, history codes (category Z80-Z87) may be used as secondary codes if the historical condition or family history has an impact on current care or influences treatment.

Documentation and Coding for HCC Risk Adjustment (cont'd)



- It is not necessary for a provider to be in charge of a patient's comorbidity in order for it to be coded.
- The comorbidity simply needs to affect decision-making or treatment in the current encounter.

Documentation and Coding for HCC Risk Adjustment (cont'd)



ICD-10-CM Guidelines-Section IV

Diagnostic Coding and Reporting Guidelines for Outpatient Services

I. Chronic diseases-chronic diseases treated on an ongoing basis may be coded and reported as many times as the patient receives treatment and care for the condition(s).

Documentation and Coding for HCC Risk Adjustment (cont'd)



Do Not Code/Rule Out or Working Diagnoses

ICD-10-CM Guidelines-Section IV-Diagnostic Coding and Reporting Guidelines for Outpatient Services

*H. Uncertain diagnosis- Do not code diagnoses documented as “probable”, “suspected”, “questionable”, “rule out”, “**compatible with**”, “**consistent with**,” or “working diagnosis” or other similar terms indicating uncertainty. Rather, code the condition(s) to the highest degree of certainty for that encounter/visit, such as symptoms, signs, abnormal test results, or other reason for the visit.*

Submitting a rule/out or working diagnosis-as an established diagnosis-can result in an inaccurate RAF score

Documentation and Coding for HCC Risk Adjustment (cont'd)



Per ICD-10-CM Guidelines

Chapter 21 Specific Guidelines:

3.) Status codes indicate a patient is either a carrier of a disease or has the sequela or residual of a past disease or condition.

A status code is informative because the status may impact the course of treatment and its outcome.

*Status diagnosis codes are often not coded, resulting in missed diagnosis codes that
CMS HCC Risk Adjust.*

Documentation and Coding for HCC Risk Adjustment (cont'd)



Current/Active Conditions vs. PMH

- Often documented as past medical history
- Diagnoses documented as past medical history should not be coded as a current condition
- Providers should be educated in regards to appropriate documentation for current active condition vs conditions that are historical

Documentation and Coding for HCC Risk Adjustment (cont'd)



Diabetes

- Often coded as *without* complications when the documentation supports *with* complications.
- Documentation should always include:
 - ✓ Type (1, 2, or secondary)
 - ✓ Complications and body system affected
 - ✓ Control status
 - ✓ Long term use of insulin

Per ICD-10-CM Coding Guidelines, the word “with” or “in” should be interpreted to mean “associated with” or “due to” when it appears in a code title, the Alphabetic Index (either under a main term or subterm), or an instructional note in the Tabular List.

Documentation and Coding for HCC Risk Adjustment (cont'd)



Morbid Obesity/BMI

- Often not documented and/or coded.
- Both Morbid Obesity and BMI 40 and over CMS-HCC Risk Adjust.
- A diagnosis for Morbid Obesity requires the provider expressly document the condition.
- BMI should not be reported without an associated diagnosis.

Documentation and Coding for HCC Risk Adjustment (cont'd)



Major Depressive Disorder

- Documentation is often not sufficient to code this condition to the highest level of specificity.
- Providers often document as “MDD” or “Depression”
- Often coded with a more specific ICD-10-CM code than supported by the documentation.
- Documentation should include:
 - ✓ Episode
 - ✓ Severity
 - ✓ Remission Status

***The specificity of the diagnosis must be supported
by the documentation.***

Documentation and Coding for HCC Risk Adjustment (cont'd)



Malignant Neoplasms

- Significant source of error in regards to CMS HCC Risk Adjustment.
- Documentation often is not sufficient to code to highest level of specificity and/or if current or history of.
- History of malignancies are often coded as a current malignancy.
- Can only be coded as active when current treatment is being directed to the malignancy, or if the cancer is active and treatment has been refused or currently contraindicated.

Documentation and Coding for HCC Risk Adjustment (cont'd)



Chronic Kidney Disease

- ✓ Underlying cause
- ✓ Stage
- ✓ Dialysis Dependence
- ✓ Associated diagnoses/conditions
- ✓ Transplant status

It is important that providers document the stage

- ✓ *Stage 1, 2, and unspecified do not CMS HCC Risk Adjust*
- ✓ *Stage 3, 4, and 5 do CMS HCC Risk Adjust.*

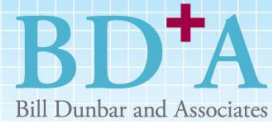
Documentation and Coding for HCC Risk Adjustment (cont'd)



HCC Recapture

- A patient's risk score is re-calculated each year.
- It is critical to **recapture** all chronic and acute conditions that CMS HCC Risk Adjust as well as report any new diagnoses that CMS HCC Risk Adjust annually.
- Reports can assist in identifying missed historical HCC's to assist with provider documentation and coding education.

Documentation and Coding for HCC Risk Adjustment (cont'd)



Example:

Patient Name	Missing HCCs Current Year vs. Reported Historically
A. Smith	(22) Morbid Obesity (59) Major Depression, Bipolar and Paranoid Disorders
B. Jones	(189) Amputation Status, Lower Limb/Complications
C. West	(18) Diabetes with complications (111) COPD
D. South	(18) Diabetes with Complications (85) CHF (111) COPD

Documentation and Coding for HCC Risk Adjustment (cont'd)



- ✓ Document all of a patient's chronic and acute conditions that were monitored, evaluated, assessed and/or treated to the highest level of specificity at every visit.
- ✓ Capture all patient's documented conditions, by reporting ICD-10-CM codes at the highest level of specificity at least once each calendar year.
- ✓ Ensure all ICD-10-CM diagnosis codes reported are supported by the documentation.

Documentation and Coding for HCC Risk Adjustment (cont'd)



CMS Risk Adjustment Information

<https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/Risk-Adjustors.html>

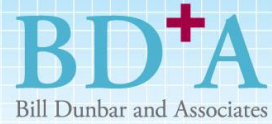
CMS Medical Record Reviewer Guidance

<https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-Risk-Adjustment-Data-Validation-Program/Other-Content-Types/RADV-Docs/Medical-Record-Reviewer-Guidance.pdf>

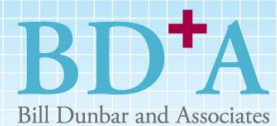
Medicare Managed Care Manual-Chapter 7- Risk Adjustment

<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/mc86c07.pdf>

Documentation and Coding for HCC Risk Adjustment



Thank you for participating!



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Sources: *2019/2020 CD-10-CM, CMS Medicare Managed Care Manual Chapter 7, CMS.Gov, Risk Adjustment, CMS Medical Record Reviewer Guidance*