DELAWARE VALLEY ACO
an accountable care organization

PRMS
Professional Revenue Management Services

Commonly Missed and Confusing HCC Codes

HIERARCHICAL CONDITION CATEGORY

PURPOSE

The Purpose of Hierarchical Condition Category (HCC) Coding

- To accurately reflect the health of your patient population
  - Risk adjustment scores are higher for a patient with a greater disease burden and less for the more healthy patient
  - The diagnosis codes that are reported by your practice on the patient claims determine the patient's disease burden and risk score
  - Chronic Conditions are reported once per year (or more based on visit pattern of the patient and the complexity of their condition)

The Purpose of Hierarchical Condition Category (HCC) Coding (continued)

- There are over 9,700 ICD-10-CM codes that map to one or more of the 86 HCC codes included in the 2021 CMS-HCC Risk Adjustment Model. Examples of Conditions represented include:
  - Amputation
  - Chronic Kidney Disease
  - Chronic Obstructive Pulmonary Disease
  - Coagulation Defects
  - Congestive Heart Failure
  - Diabetes Mellitus
  - Morbid Obesity
  - Peripheral Vascular Disease
  - Others such as MI, CVA, and Fractures

Two Patients, Same Diagnosis, Different Care

- Patient A is newly diagnosed with influenza and pneumonia
  - Patient A is 35
  - Patient has no chronic diseases
- Patient B is newly diagnosed with influenza and pneumonia
  - Patient B is 72
  - Patient comorbidities:
  - Diabetes, type 2
  - Chronic bronchitis
  - Emphysema

Two Patients, Same Diagnosis, Different Care (continued)

- Capturing the difference is called risk adjustment
  - If the comorbidities are not documented and coded for Patient B, the true cost of the encounter is not captured
  - Comorbidities bring extra risk, requiring extra utilization of resources
  - Erroneously reporting a more complex diagnosis can lead to overpayment

General HCC Principles

- Code for all conditions that affect or influence patient care, treatment or management
- Code to the highest level of specificity
- Code all chronic conditions at least once annually
- Ensure all conditions are updated in patient's chart based on Summary of Care documents received from hospitals or specialty consults
- Limit the number of "Unspecified" or "Other" codes, unless there is not sufficient clinical information to support a more specific code
- Include additional diagnoses to the appropriate primary diagnoses such as: code BMI with obesity, and code long-term insulin use with diabetes
- Up to (12) ICD-10 codes can be submitted on a claim

Commonly Missed HCCs

DVACO HCC Prevalence Data

Lower Prevalence High Risk Score

HCCLabel	*YTD Prevalence*	*Chronic Redocumentation Rate*	*Avg Risk Score Per Gap*
Metastatic Cancer and Acute Leukemia	1.6%	79%	2.657
Pressure Ulcer of Skin with Necrosis Through to Muscle, Tendon, or I	0.1%	68%	2.253
Severe Hematological Disorders	0.2%	67%	2.025
Cystic Fibrosis	0.0%	82%	1.803
Atherosclerosis of the Extremities with Ulceration or Gangrene	0.4%	66%	1.563
Respirator Dependence/Tracheostomy Status	0.2%	52%	1.206
Pressure Ulcer of Skin with Full Thickness Skin Loss	0.4%	61%	1.176
Quadriplegia	0.1%	67%	1.130
Amyotrophic Lateral Sclerosis and Other Motor Neuron Disease	0.1%	83%	1.017
Lung and Other Severe Cancers	1.7%	84%	1.016

DVACO HCC Prevalence Data

Highest Prevalence

HCCLabel	*YTD Prevalence*	*Chronic Redocumentation Rate*	*Avg Risk Score Per Gap*
Vascular Disease	19%	78%	0.288
Specified Heart Arrhythmias	17%	87%	0.279
Diabetes with Chronic Complications	15%	85%	0.318
Congestive Heart Failure	11%	80%	0.348
Chronic Kidney Disease, Moderate (Stage 3)	9%	83%	0.060
Breast, Prostate, and Other Cancers and Tumors	9%	78%	0.152
Major Depressive, Bipolar, and Paranoid Disorders	9%	76%	0.274
Chronic Obstructive Pulmonary Disease	8%	78%	0.341
Morbid Obesity	7%	77%	0.259
Rheumatoid Arthritis and Inflammatory Connective Tissue Disease	7%	75%	0.411

Top Missed HCC Opportunities	ICD-10 Diagnosis Code	Code Description
HCC18- Diabetes with Chronic Complications	E11.21	Type 2 diabetes mellitus with diabetic nephropathy
	E11.22	Type 2 diabetes mellitus with diabetic chronic kidney disease
	E11.40	Type 2 diabetes mellitus with diabetic neuropathy
	E11.51	Type 2 diabetes mellitus with diabetic peripheral vascular disease
HCC19- Diabetes without Complications	Z79.4	Long Term (current) use of insulin
HCC22- Morbid Obesity	E66.01	Morbid (severe) obesity due to excess calories
	Z68.41	Body mass index (BMI) 40.0-44.9, adult
HCC23- Other Endocrine and Metabolic Disorders	E21.0	Hyperparathyroidism
HCC40- Rheumatoid Arthritis and Inflammatory Connective Tissue Disease	M06.9	Rheumatoid arthritis
HCC48- Coagulation Defects and Other Specified Hematological Disorders	D68.51	Factor V Leiden mutation
	D69.6	Thrombocytopenia
HCC59- Major Depressive, Bipolar, and Paranoid Disorders	F32.0	Major depressive disorder, mild
	F32.1	Major depressive disorder, moderate
HCC79- Seizure Disorders and Convulsions	G40.909	Seizure disorder
HCC85- Congestive Heart Failure	I11.0	Hypertensive heart disease with heart failure
	I27.20	Pulmonary hypertension
	I50.22	Chronic systolic (congestive) heart failure
	I50.9	Heart failure, unspecified
HCC96- Specified Heart Arrhythmias	I47.1	Supraventricular tachycardia
	I48.2	Chronic atrial fibrillation
HCC103- Hemiplegia/Hemiparesis	I69.351	Hemiplegia/hemiparesis following cerebral infarction affecting R dominant side
HCC108- Vascular Disease	I71.4	Abdominal aortic aneurysm, without rupture
	I73.9	Peripheral vascular disease
HCC111- Chronic Obstructive Pulmonary Disease	J44.9	Chronic obstructive pulmonary disease
HCC 134- Dialysis Status	Z99.2	Dependence on renal dialysis
HCC136- Chronic Kidney Disease, Stage 5	N18.6	End stage renal disease
	N18.5	Chronic kidney disease, stage 5
HCC137- Chronic Kidney Disease, Severe (Stage 4)	N18.4	Chronic kidney disease, stage 4 (severe)
HCC138- Chronic Kidney Disease, Severe (Stage 3)	N18.31	Chronic kidney disease, stage 3a (moderate)
	N18.32	Chronic kidney disease, stage 3b (moderate)

*Based on PRMS 2021 audit data

Peripheral Vascular Disease

- Coding
  - The codes in this category, I70 Atherosclerosis, are classified by type of vessel, by site, and by the severity
  - Code at the highest level of severity when a patient has multiple symptoms of Lower Extremity Atherosclerosis
    - Identify the specific arterial or venous disorder and the site
- The hierarchy from most severe to least severe is as follows:
  - Highest Level
    - Gangrene, with Tissue Necrosis
    - Ulceration, with Non-healing Wound
    - Rest Pain, with Chronic Ischemia
  - Lowest Level
    - Intermittent Claudication, with Ischemia upon exertion

Peripheral Vascular Disease (continued)

- Coding- Ulceration
  - Coding ulcers to the highest specificity. This includes:
    - Location
    - Severity
    - Laterality
  - Example: Peripheral Vascular Disease patient with non-pressure ulcer of right toe limited to breakdown of skin
    - Use codes: I70.235, L97.511

HCC Coding Example: The Impact of Specified Coding

Example: A 90 year old male presents with peripheral vascular disease including an ulcer of the left ankle limited to the breakdown of the skin.

ICD-10 Code	Description- No Conditions Coded	HCC Weight
Not coded	Peripheral vascular disease	0.00
	Demographic Risk Factor (Community, Non Dual, Aged):	**0.841**
	Total Score:	**0.841**
	PMPM Payment:	**$672.80**
	Medicare expects this patient to cost:	**$8,073.60**
ICD-10 Code	**Description- Partial Coding**	**HCC Weight**
I73.9	Peripheral vascular disease, unspecified	0.288
	Demographic Risk Factor (Community, Non Dual, Aged):	**0.841**
	Total Score:	**1.129**
	PMPM Payment:	**$903.20**
	Medicare expects this patient to cost:	**$10,838.40**
ICD-10 Code	**Description- Coding Highest Specificity**	**HCC Weight**
I70.243, L97.321	Atherosclerosis of native arteries of left leg with ulceration of ankle limited to breakdown of skin	1.488
	Demographic Risk Factor (Community, Non Dual, Aged):	**0.841**
	Total Score:	**2.329**
	PMPM Payment:	**$1,863.20**
	Medicare expects this patient to cost:	**$22,358.40**

Chronic Kidney Disease

- Documentation and Coding: Always be sure to document and code the stage of Chronic Kidney Disease when known
  - ICD-10-CM classifies CKD based on severity which is designated by stages 1-5
  - End stage renal disease is assigned when the provider has documented ESRD
  - Use an additional code to identify dialysis status when applicable: Z99.2
- If Chronic Kidney Disease is present, it will always be applicable in a patient with diabetes, heart failure, or hypertension
  - Examples of specified codes related to CKD in other conditions
    - I12 (Hypertensive Chronic Kidney Disease) or
    - I13 (Hypertensive Heart and Chronic Kidney Disease)
    - E11.22 (Type 2 Diabetes Mellitus with Diabetic Chronic Kidney Disease)
    - E10.22 (Type 1 Diabetes Mellitus with Diabetic Chronic Kidney Disease)

    *Always use an additional code to identify stage of CKD
- Keep in mind: Renal Insufficiency is a generic term that does not lend itself to precise coding or risk adjustment

Chronic Kidney Disease (continued)

- Chronic Kidney Disease ICD-10 Codes by Stage:
  - Chronic Kidney Disease Stage 1: N18.1
  - Chronic Kidney Disease Stage 2: N18.2
  - Chronic Kidney Disease Stage 3 is broken down into sub-stages:
    - ➢ N18.30- Chronic Kidney Disease, stage 3 unspecified
    - ➢ N18.31- Chronic Kidney Disease, stage 3a
      - GFR 59 to 45
    - ➢ N18.32- Chronic Kidney Disease, stage 3b
      - GFR 44 to 30
  - Chronic Kidney Disease Stage 4: N18.4
  - Chronic Kidney Disease Stage 5: N18.5
  - End Stage Renal Disease: N18.6
  - Dependence on Renal Dialysis: Z99.2

Rheumatoid Arthritis

- Documentation and Coding
  - Identify the following areas when selecting a code related to Rheumatoid Arthritis:
    - Rheumatoid Factor
    - Organ Involvement
    - Location
    - Laterality
  - Specified code example: M06.09 Rheumatoid arthritis without rheumatoid factor, multiple sites
- Be sure to code Rheumatoid Arthritis annually for chronic patients

Morbid Obesity

- Defining Morbid Obesity: The National Institutes of Health (NIH) defines morbid obesity as being 100 pounds or more above the ideal body weight or having a BMI of 40 or greater; or having a BMI of 35 or greater and one or more comorbid conditions.
    - Examples of Obesity related conditions:
        - Diabetes Mellitus
        - Obstructive Sleep Apnea
        - Hypertension
    - Morbid Obesity code examples:
        - E66.01: Morbid Obesity due to excess calories
        - E66.2: Morbid Obesity with hypoventilation
        - Use an additional code to identify the patients body mass index (BMI) if known: Z68.35-Z68.45
    - Coding Tip: When coding Morbid Obesity with a comorbidity, use a linking statement such as “hyperlipidemia due to obesity” or “sleep apnea from obesity.”

HCC Coding Example: The Impact of Specified Coding

Example: A 70 year old male with morbid obesity has a BMI of 38.7, and morbid obesity-related obstructive sleep apnea with hypoventilation. BMI increases and sleep disturbance worsening.

ICD-10 Code	Description- Partial Coding	HCC Weight
G47.33	Obstructive sleep apnea	0.00
Z68.38	BMI of 38	0.00
	Demographic Risk Factor (Community, Non Dual, Aged):	**0.394**
	Total Score:	**0.394**
	PMPM Payment:	**$315.20**
	Medicare expects this patient to cost:	**$3,782.40**
ICD-10 Code	**Description- Coding Highest Specificity**	**HCC Weight**
G47.33	Obstructive sleep apnea	0.00
E66.2, Z68.38	Morbid obesity with hypoventilation with a BMI of 38	0.250
	Demographic Risk Factor (Community, Non Dual, Aged):	**0.394**
	Total Score:	**0.644**
	PMPM Payment:	**$515.20**
	Medicare expects this patient to cost:	**$6,182.40**

Confusing HCCs Coding Scenarios

Coding a Cancer Patient in Remission

- Identify History of Cancer vs. Active Cancer
  - When a primary malignancy has been excised but further treatment, such as additional surgery for the malignancy, radiation therapy, or chemotherapy is directed to that site, this should be coded as an active cancer
  - When a primary malignancy has been previously excised or eradicated from its site, there is no further treatment directed to that site, and there is no evidence of any existing primary malignancy, personal history of cancer should be coded
  - Example: Breast Cancer patient on long term drug such as Tamoxifen:
    - If Tamoxifen use is prophylactic and there is no current evidence of disease this would be considered a history of cancer
    - Use code: Z85.3 (Personal history of malignant neoplasm of breast)

Coding a Cerebral Infarction Follow Up

- Identify Residual Effects
  - Identify and code any residual effects that a patient is experiencing from a previous stroke
    - Examples include:
      - Hemiplegia and Hemiparesis
      - Monoplegia
      - Aphasia
      - Dysphagia
    - Specified coding example: I69.351 Hemiparesis following Cerebral Infarction affecting right dominant side
  - If a patient is not currently experiencing a Cerebral Infarction and has no residual or late effect from a previous Cerebral Infarction use code Z86.73 (personal history of Cerebral Infarction without residual effects)
  - A patient experiencing no residual effects from a previous stroke should never be assigned code I63.9 (acute Cerebral Infarction)

Coding an Acute Myocardial Infarction

- Identify Timeframe
  - An AMI is considered “acute” for 4 weeks from the time of the incident
  - Code to the highest specificity including the following areas:
    - Type
    - Location
    - Initial or subsequent event
    - Specified code example: I21.4 NSTEMI Myocardial Infarction
  - After 4 weeks and 1 day use code I25.2 for Old Myocardial Infarction

Coding a Patient w/ Hypertension & CHF

- Identify if Patient has both HTN & CHF
  - CMS ICD-10 coding guidelines assume a casual relationship between Heart Failure and Hypertension
  - If the Hypertension and Heart Failure coexist, then code I11 (Hypertensive Heart Disease) or I13 (Hypertensive Heart and Chronic Kidney Disease)
    - Use an additional code to specify type of Heart Failure
    - Use an additional code to identify stage of Chronic Kidney Disease
  - Exception: If Heart Failure is not due to Hypertension, document the cause of the Heart Failure so as to not associate it with being Hypertensive Heart Disease
  - Example: Patient has known diagnoses of Hypertension, Chronic Systolic Congestive Heart Failure and Chronic Kidney Disease stage 3B
    - Use codes: I13.0, I50.22, N18.32
      - I13.0 (Hypertensive heart and chronic kidney disease with heart failure and stage 1 through stage 4 chronic kidney disease)
      - I50.22 (Chronic Systolic Congestive Heart Failure)
      - N18.32 (Chronic Kidney Disease stage 3B)

References

American Medical Association, (2021). ICD-10-CM 2022: The complete official code book. Chicago, IL: American Medical Association.

Centers for Medicare and Medicaid Services. *ICD-10-CM Official Guidelines for Coding and Reporting FY 2022.* https://www.cms.gov/files/document/2022-coding-guidelines.pdf . Accessed March 21,2022.

Fernandez, V. (2017) Ins and Outs of HCCs. *Journal of AHIMA, 88(6*), 54-56.

Harrington, M.K. (2016). Health care finance and the mechanics of insurance and reimbursement. Burlington, MA: Jones and Barlett.

https://www.ncbi.nlm.nih.gov/books/NBK542610/

https://www.aapc.com/blog/40016-clear-up-confusion-as-to-when-cancer-becomes-history-of/