

# Master the ICD-10 Payment System to Prevent Revenue Losses

Tricia A. Twombly BSN RN HCS-D HCS-O COS-C CHCE  
AHIMA Approved ICD-10 CM Trainer  
Senior Director, DecisionHealth  
Chief Executive Officer, BMSC

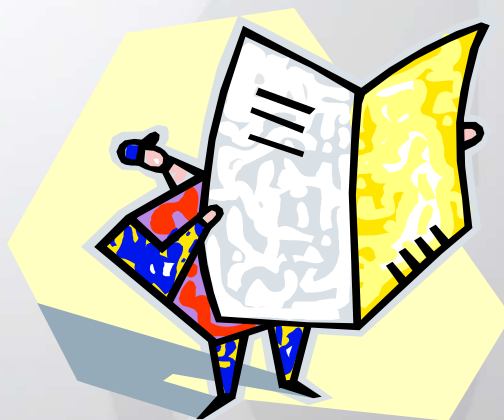
## Important *Points*

- Coder touch *points*
  - Diagnosis case mix points
  - Non routine supply points
  - Risk adjustment equation points
- If the coder does not fulfill their responsibility, reimbursement will not be accurate

# Setting the Table

- Prospective payment system
- HHRG OASIS scoring elements
- Case mix calculation table
- Non routine supply calculation table

## Prospective Payment System



# Home Health Resource Grouping

## HHRG

- All Medicare providers are paid on a prospective payment system based on a case mix score
- Hospitals are paid via discharge diagnoses and procedures = DRG
- Home Health is paid via certain OASIS responses in 3 different areas = HHRG

## OASIS

- OASIS is a core set of data elements integrated into a comprehensive assessment
- PPS uses OASIS as a method of determining payment according to the acuity and seriousness of the patient's condition
- The current version of OASIS is 'C1'
- OASIS-C1-I9 retires 10-1-15 (based on the M0090 date)
- OASIS-C1-I10 will be implemented concurrently with the ICD-10 code set (based on the M0090 date)

# OASIS

- The OASIS payment questions are divided into 3 dimensions:
  - Clinical severity
  - Functional severity
  - Service utilization
- Resulting in 153 different possible payment scoring groups (HHRG)
- Each HHRG has an associated case-mix weight which is used to calculate the payment for an episode

# PPS Revised

- January 1, 2008 the prospective payment system was revised to a 4 equation model
- Clinical points remained available for the primary diagnosis
- Clinical points became available for secondary diagnoses

## 4 Equation Model

- 4 equation model
  - early episode with low therapy
  - early episode with high therapy
  - late episode with low therapy
  - late episode with high therapy
- Early episode = 1<sup>st</sup> or 2<sup>nd</sup> adjacent episode
- Late episode = 3<sup>rd</sup> or greater adjacent episode

## 4 Equation Model

Equation	1	2	3	4
Episode number within sequence of adjacent episodes	1 or 2	1 or 2	3+	3+
Therapy visits	0-13	14+	0-13	14+

## Clinical Dimension

- M1021: Diagnosis
- M1023: Diagnosis
- M1025: Diagnosis
- M1030: Therapies
- M1200: Vision
- M1242: Pain
- M1308: Pressure Ulcer
- M1324: Pressure Ulcer
- M1334: Stasis Ulcer
- M1342: Surgical Wound
- M1400: Dyspnea
- M1620: Bowel Incontinence
- M1630: Ostomy
- M2030: Injectable drugs
- *As of January 2015 (2) dimensions are no longer available for points*
- *As of October 2015 (1) dimension will no longer be available for points*

## Functional Dimension

- M1810: Ability to dress upper body
- M1820: Ability to dress lower body
- M1830: Bathing
- M1840: Toileting
- M1850: Transfer
- M1860: Ambulation

# Service Dimension

- M2200: Therapy Need
- *Note: The number of visits determines the service portion of the HHRG score*

# Case Mix Adjustment Calculation Table



# Payment Questions

## OASIS

- Case mix diagnoses are diseases or conditions that contribute to a home health agency's increased costs or resources
- Both primary diagnoses and secondary (manifestation) diagnoses are included
- Points are available if the case mix code is in the appropriate place in M1020/21 or M1022/23
- After October 1, 2015; ICD-10 Grouper Logic does not score diagnoses placed in M1025 (clinical, NRS, or as a risk adjustment variable).

## Diagnosis Group Scoring

- Codes recognized by the grouper for scoring are assigned to 1 of 22 Diagnosis Groups (DG)
- Including 3 V code categories with 3 case mix codes
- October 1, 2015 - V code categories retire and replaced by one Z code category (Z43)
- As of January 2015, five of the diagnosis groups (DG), no longer provide case mix value

## 22 Diagnosis Groups

- Blindness and low vision
- Blood disorders
- Cancer & selected benign neoplasms
- Diabetes
- Dysphagia
- Gait Abnormality
- Gastrointestinal disorders
- Heart Disease
- Hypertension
- Neuro 1 (Brain)
- Neuro 2 (Peripheral)
- Neuro 3 (CVA)
- Neuro 4 (MS)
- Ortho 1
- Ortho 2
- Psych 1(Affective)
- Psych 2 (Degenerative)
- Pulmonary disorders
- Skin 1(Trauma)
- Skin 2 (Ulcer and other)
- Tracheostomy Care
- Urostomy/Cystostomy Care

## Case Mix Adjustment Calculation table

- HHRG calculation table
- Early episode/Late episode
- Low therapy/High therapy
- 45 Clinical variables (line items)
- 6 functional variables (line items)
- Primary = M1021
- Other diagnosis = M1023
- Points are cumulative from each line item with 2 exceptions
  - -Diabetes
  - - Skin 1

## Case Mix Adjustment Calculation Table

Episode number within sequence of adjacent episodes	1 or 2	1 or 2	3+	3+
Therapy visits	0-13	14+	0-13	14+
Equation	1	2	3	4

## Case Mix Adjustment Calculation Table

- First Column = Line items or rules (1-51)
  - (1-45) clinical points
  - (46-51) functional points
- Add points from each line item except:
  - Diabetes Mellitus
  - Skin I
- Second column = Diagnosis Group/Data element
- Third through Sixth columns = available points

# Case Mix Adjustment Calculation Table

- Line items 1-30 contribute HHRG clinical points related to diagnoses and/or other variables
- Line items 31-45 contribute HHRG clinical points related to data elements only
- Line items 46-51 contribute to HHRG functional points related to data elements only

## Example

- Patient admitted for early episode with diabetes with angiopathy and polyneuropathy. Patient also has dysphagia due to CVA. Twelve speech/physical therapy visits have been ordered. Nursing will be seeing the patient and the unstable diabetes is the main focus of care. Assume M1810/M1820 have been marked with a 3 and M1860 has been marked with a 4. M1030 has been marked no enteral therapy.
- M1021: E11.51 Diabetes with angiopathy without gangrene
- M1023: E11.42 Diabetes with polyneuropathy
- M1023: I69.391 CVA late effect dysphagia
- M1023: R13.10 Dysphagia
- How many points will be awarded?

# Hints

- Are the codes for diabetes with angiopathy and polyneuropathy, CVA and dysphagia case mix codes?
- Diabetes primary = yes, diabetes secondary = no; CVA = yes; Dysphagia = yes
- If so, what are the assignable diagnosis group(s)?
- Diabetes/angiopathy = (4) diabetes; CVA = yes (12) Neuro 3 dysphagia = yes (5) dysphagia
- What line items are pertinent to the code(s)?
- 4, 6, 7, 15, 26, 17
- Which episode is in question?
- Early
- How much therapy has been ordered?
- Low
- How many points are calculated from the line item(s)?
- 5

# Answer

Case mix code M1021	Case mix codes M1023	Line item #	Clinical points
Diabetes		4	0
	CVA late effect	15,16,17	3+0+0
	Dysphagia	6,7	2+0
Total points		2 line items =	5 points

# Example

- Patient admitted for early episode with diabetes with angiopathy and polyneuropathy. Patient also has dysphagia due to CVA. Fourteen speech/physical therapy visits have been ordered. Nursing will be seeing the patient and diabetes is the main focus of care. Assume M1810/M1820 have been marked with a 3 and M1860 has been marked with a 4. M1030 has been marked no enteral therapy.
- M1021: E11.51 Diabetes with angiopathy without gangrene
- M1023: E11.42 Diabetes with polyneuropathy
- M1023: I69.391 CVA late effect dysphagia
- M1023: R13.10 Dysphagia
- How many points will be awarded?

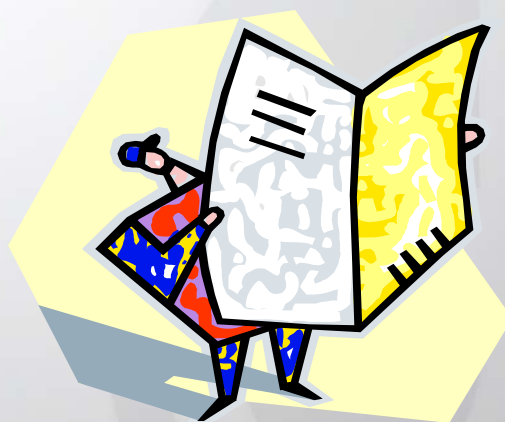
# Hints

- Are the codes for diabetes with angiopathy and polyneuropathy, CVA and dysphagia case mix codes?
- Diabetes primary = yes, diabetes secondary = no; CVA = yes; Dysphagia = yes
- If so, what are the assignable diagnosis group(s)?
- Diabetes/angiopathy = (4) diabetes; CVA = yes (12) Neuro 3; dysphagia = yes (5) dysphagia
- What line items are pertinent to the code(s)?
- 4, 6, 7, 15, 26, 17
- Which episode is in question?
- Early
- How much therapy has been ordered?
- High
- How many points are calculated from the line items?
- 45

# Answer

Case mix code M1021	Case mix codes M1023	Line item #	Clinical points
Diabetes		4	8
	CVA late effect	15,16,17	10,4,0
	Dysphagia	6,7	16+7
Total points		5 line items =	45 points

# 2015 Final Prospective Payment System Update



## 2015 Final PPS Rule Summary

- Implement the second year of the four year ACA rebasing adjustments
- Update the 60 day payment rates
- Changes to the case mix weights
- Revise the NRS conversion factor
- Medicare coverage of insulin injections

## 2015 Final PPS Rule Summary

- 58 million dollar reimbursement loss
- Almost 200 commonly assigned codes lost case-mix value
- Two OASIS items lost case mix value
- Reimbursement emphasis shifts back from nursing to therapy

# Grouper Variables

- Updating the 4 equation model resulted in:
  - 121 point-giving variables
  - 19 variables that were added
  - 62 variables that were dropped (due to lack of additional resources associated with the variable)

# Clinical Points

- Generally, clinical points are no longer be available for:
  - Psych 1
  - Psych 2
  - Pulmonary
  - Blindness/low vision
  - GI
  - Blood disorders
  - M1200 (Vision)
  - M2030 (Injectable drug use)

## 2015 ICD-9 Grouper Example

- Patient admitted for COPD exacerbation with comorbid conditions of CHF, dementia, and chronic anemia. Patient is on O2. Nursing and physical therapy will be seeing the patient. Early episode; low therapy

## 2015 ICD-9 Grouper Example

Diagnoses	2014 Points	2015 Points
491.21	2	0
428.0	3	0
285.9	2	0
294.20	1	0
V46.2	0	0
V60.4	0	0
Total clinical points	8	0

## 2015 ICD-9 Grouper Example

- Patient admitted for trauma wound to foot which has caused an abnormal gait, after tripping over the rug. Patient now has a pressure ulcer stage II to coccyx. Patient also has diabetes mellitus type II and low vision to both eyes due to diabetes. It is an early episode, low therapy. Assume M1200 was marked with a (1).

## 2015 ICD-9 Grouper Example

Diagnoses/OASIS	2014 Points	2015 Points
892.1	10	4
707.03	0	0
707.22	0	0
250.50	5	1
369.3	3	0
781.2	2	8
M1200 Vision	1	0
Total clinical points	21	13

# ICD-10 Grouper Logic



## ICD-10 Grouper

- No change to the case mix diagnosis groups
- No change in the case mix calculation table
- Changes in the case mix code list
- Changes in the non routine supply code list

## Case Mix List Notables

- Many unspecified codes no longer have case mix value (clinical or NRS points)
- Example:
  - C43.9 Malignant melanoma of the skin
- Did not indicate:
  - location
  - Laterality
  - (e.g. nose or right ear)

## Case Mix List Notables

- I50.9 Heart failure unspecified remains on the final ICD-10 case mix list
- J44.9 COPD unspecified was removed from the final ICD-10 case mix list
- K21.9 GERD is back on the final ICD-10 case mix list
- R26.9 Abnormality of gait unspecified was removed from the final ICD-10 case mix list

## Abnormality of Gait Example

- Patient admitted with a stage 3 pressure ulcer to the coccyx. Therapy will also be seeing the patient for abnormality of gait due to a malunion of a tibial fracture. The focus of care is the ulcer. It is an early episode with low therapy.

## Abnormality of Gait Answer

- M1021: L89.153 Pressure ulcer stage 3 coccyx
- M1023: S82.202P Left tibia fracture subsequent encounter malunion
- M1023: R26.9 Unspecified abnormality of gait
- *Note: Available abnormal gait case mix points = 0*

## Abnormality of Gait Example

- Patient admitted with a stage 3 pressure ulcer to the coccyx. Therapy will also be seeing the patient for abnormal gait resulting in patient being unsteady on his feet due to a malunion of a tibial fracture. The focus of care is the ulcer. This is an early episode with low therapy.

## Abnormality of Gait Answer

- M1021: L89.153 Pressure ulcer stage 3 coccyx
- M1023: S82.202P Left tibia fracture subsequent encounter malunion
- M1023: R26.81 Unsteadiness on feet
- *Note: Available abnormal gait case mix points = 8*

# Case Mix List Notables

- Diabetes mellitus clinical points are calculated from 4 different diagnosis groups (DG)
- Some diabetes mellitus clinical points are calculated from different diagnosis groups (DG) depending on the code category (E08-E13)
- NRS points will not be available if the category is (E08) or if the reason is a poisoning (E09)
- Some diabetes mellitus codes offer no case mix value in any episode

## Diabetes Mellitus

Subcategory Characters	Code Title	E08 DG	E09 DG	E10 DG	E11 DG	E13 DG
00	Hyperosmolality w/o NKHHC	0	0	n/a	0	0
01	Hyperosmolality with coma	0	0	n/a	0	0
10	Ketoacidosis w/o coma	0	0	4	n/a	4
11	Ketoacidosis w coma	0	0	0	n/a	0
21	nephropathy	0	0	4	4	4
22	Chronic kidney disease	0	0	4	4	4
29	Other kidney comp	0	0	4	4	4
311	Unspec rtnop w/o mac edema	4	4	4	4	4
319	Unspec rtnop w mac edema	4	4	4	4	4

Subcategory Characters	Code Title	E08 DG	E09 DG	E10 DG	E11 DG	E13 DG
321	Mild nprof rtnop w mac edema	4	4	4	4	4
329	Mild nprof rtnop w/o mac edema	4	4	4	4	4
331	Mod nprof rtnop w mac edema	4	4	4	4	4
339	Mod nprof rtnop w/o mac edema	4	4	4	4	4
341	severe nprof rtnop w mac edema	4	4	4	4	4
349	severe nprof rtnop w/o mac edema	4	4	4	4	4
351	prof rtnop w mac edema	4	4	4	4	4
359	prof rtnop w/o mac edema	4	4	4	4	4
36	Cataract	0	4	4	4	4

## Diabetes Mellitus

Subcategory Characters	Code Title	E08 DG	E09 DG	E10 DG	E11 DG	E13 DG
39	Ophthalmic complication	0	0	4	4	4
40	Neuropathy unspecified	0	4	4	4	4
41	Mono neuropathy	0	4	4	4	4
42	Poly neuropathy	0	4	4	4	4
43	Autonomic neuropathy	0	4	4	4	4
44	amyotrophy	0	11 Neuro 2	4	4	4
49	Other neuro	0	0	4	4	4
51	Angiopathy w/o gangrene	0	0	4	4	4
52	Angiopathy w gangrene	20 Skin 2	20 Skin 2	4	4	4

# Diabetes Mellitus

Subcategory Characters	Code Title	E08 DG	E09 DG	E10 DG	E11 DG	E13 DG
59	Other circulatory	0	0	4	4	4
610	neuropathic arthropathy	15 Ortho 2	15 Ortho 2	4	4	4
618	Other arthropathy	15 Ortho 2	15 Ortho 2	4	4	4
620	dermatitis	0	0	4	4	4
621	Foot ulcer	4	4	4	4	4
622	Other skin ulcer	4	20 Skin 2	4	4	4
628	Other skin complication	0	0	4	4	4
630	periodontal	0	0	4	4	4
638	Other oral	0	0	4	4	4

# Diabetes Mellitus

Subcategory Characters	Code Title	E08 DG	E09 DG	E10 DG	E11 DG	E13 DG
641	Hypoglycemia /coma	0	0	0	0	0
649	Hypoglycemia /without coma	0	0	4	4	4
65	hyperglycemia	0	0	4	4	4
69	Other complication	0	0	4	4	4
8	Unspecified complication	0	0	4	4	4
9	Without complications	0	0	4	4	4

## Example

- Diabetic patient with amyotrophy is admitted for nursing and therapy. The diabetes was caused from long term prednisone use due to asthma. Patient remains on steroids and takes insulin. M1820 was answered with response 3. It is an early episode with high therapy.

## Answer

- E09.44 Drug induced diabetes with diabetic amyotrophy
- T38.OX5D Adverse effect steroids
- M1023: J45.909 Asthma
- M1023: Z79.52 Long term (current) use of systemic steroids
- M1023: Z79.4 Long term (current) use insulin
- *Note: Available DM case mix points = 7 Neuro 2 clinical points*

## Example

- Type 2 diabetic patient with amyotrophy is admitted for nursing and therapy. M1820 was answered with response 3. Patient is on insulin. It is an early episode with high therapy.

## Answer

- M1021: E11.44 Type 2 diabetes with diabetic amyotrophy
- M1023: Z79.4 Long term use of insulin
- *Note: Available DM case mix points = 8 diabetes clinical points*

## Example

- Diabetic patient with amyotrophy is admitted for nursing and therapy. The diabetes was caused from an accidental overdose of prednisone use due to asthma. Patient remains on steroids and takes insulin. M1820 was answered with response 3. It is an early episode with high therapy.

## Answer

- M1021: T38.Ox1D poisoning by steroids accidental
- M1023: E09.44 Drug induced diabetes with diabetic amyotrophy
- M1023: J45.909 Asthma
- M1023: Z79.52 Long term (current) use of systemic steroids
- M1023: Z79.4 long term (current) use insulin
- *Note: Available DM case mix points = 0 clinical points*

## Example

- Diabetic patient with angiopathy without gangrene is admitted to home health. The diabetes was caused from long term prednisone use due to asthma. Patient remains on steroids and takes insulin. Both therapy and nursing will be seeing the patient. It is an early episode with high therapy.

## Answer

- E09.51 Drug induced diabetes with angiopathy without gangrene
- T38.OX5D Adverse effect steroids
- M1023: J45.909 Asthma
- M1023: Z79.52 Long term (current) use of systemic steroids
- M1023: Z79.4 Long term (current) use insulin
- *Note: Available DM case mix points = 0 clinical points*

## Example

- Diabetic patient with angiopathy with gangrene is admitted to home health. The diabetes was caused from long term prednisone use due to asthma. Patient remains on steroids and takes insulin. Both therapy and nursing will be seeing the patient. It is an early episode with high therapy.

## Answer

- E09.52 Drug induced diabetes with angiopathy with gangrene
- T38.OX5D Adverse effect steroids
- M1023: J45.909 Asthma
- M1023: Z79.52 Long term (current) use of systemic steroids
- M1023: Z79.4 Long term (current) use insulin
- *Note: Available DM case mix points = 17 Skin 2 clinical points*

## Example

- Type 1 diabetic patient with angiopathy with gangrene is admitted to home health. Patient takes insulin. Both therapy and nursing will be seeing the patient. It is an early episode with high therapy.

## Answer

- E10.52 Type 1 diabetes with angiopathy without gangrene
- *Note: Available DM case mix points = 8 DM clinical points*

## Example

- Patient admitted with diabetes due to cystic fibrosis. The diabetes has caused Charcot's joint of the right ankle which has become infected. The patient will be receiving 10 days of IV antibiotics. The focus of care is the Charcot's joint. Patient takes insulin. This is an early episode with high therapy and M1030 has been marked with a 1.

## Answer

- M1021: E84.8 Cystic fibrosis with other manifestations
- M1023: E08.610 Diabetes mellitus due to underlying condition with neuropathic arthropathy
- M1023: Z45.2 Encounter for adjustment and management of vascular access device
- M1023: Z79.2 Long term (current) use of antibiotics
- M1023: Z79.4 Long term current use insulin
- *Note: Available DM case mix points = 0 DM clinical points*

## Example

- Patient admitted with diabetes due accidental overdose of prednisone which the patient takes because of COPD. The diabetes has caused Charcot's joint of the right ankle which has become infected. The patient will be receiving 10 days of IV antibiotics. The focus of care is the Charcot's joint. Patient takes insulin and remains on steroids. This is an early episode with high therapy and M1030 has been marked with response 1.

## Answer

- T38.Ox1D poisoning by steroids accidental
- E09.610 Drug induced diabetes with neuropathic arthropathy
- M1023: J44.9 COPD
- M1023: Z45.2 Encounter for adjustment and management of vascular access device
- M1023: Z79.2 Long term (current) use of antibiotics
- M1023: Z79.52 Long term (current) use of systemic steroids
- M1023: Z79.4 Long term (current) use insulin
- *Note: Available DM case mix points = 3 Ortho 2 clinical points*

## Example

- Patient admitted with diabetes due accidental overdose of prednisone which the patient takes because of COPD. The diabetes has caused right calf ulcer with fat layer exposed which has become infected. The patient will be receiving 10 days of IV antibiotics. The focus of care is the diabetic ulcer. Patient takes insulin and remains on steroids. This is an early episode with high therapy and M1030 has been marked with response 1.

## Answer

- T38.Ox1D poisoning by steroids accidental
- E09.622 Drug induced diabetes with ulcer of the r. calf
- L97.212 Ulcer of right calf with fat layer exposed
- M1023: J44.9 COPD
- M1023: Z45.2 Encounter for adjustment and management of vascular access device
- M1023: Z79.2 Long term (current) use of antibiotics
- M1023: Z79.52 Long term (current) use of systemic steroids
- M1023: Z79.4 Long term (current) use insulin
- *Note: Available DM case mix points = 17 Skin 2 clinical points*

## Example

- Patient admitted with type 2 diabetes and a diabetic right calf ulcer with the fat layer exposed that has become infected. Patient takes insulin and will receive 10 days of IV antibiotics. This is an early episode with high therapy. M1030 has been marked with response 1.

## Answer

- M1021: E11.622 Type 2 diabetes with skin ulcer
- M1023: L97.212 Ulcer of right calf with fat layer exposed
- M1023: Z45.2 Encounter for adjustment and management of vascular access device
- M1023: Z79.2 Long term (current) use of antibiotics
- M1023: Z79.4 Long term (current) use insulin
- *Note: Available DM case mix points = 8 DM clinical points*

# Relationship Between Coding and Non Routine Supplies



## Non Routine Supplies

- Most patients do not use NRS
- Many use a small amount
- Some use a large amount
- NRS costs are distributed across episodes unevenly
- Regression equations were created from the OASIS measures to predict NRS costs

# Non Routine Supplies

- You are being paid for supplies based on OASIS responses even if no supplies provided
- The requirement for changing the last digit of the HIPPS code from a letter (supplies billed) to a number (no supplies billed) is to enable CMS to collect supply utilization data on non routine supplies and has nothing to do with payment

# Non Routine Supplies

- CMS has unbundled NRS reimbursement
- Paid separately based on six severity levels
- NRS reimbursement calculated using:
  - OASIS combinations
  - Numerical case mix diagnoses
  - Selected Z codes
  - 7 case mix categories
  - Infections of skin and subcutaneous tissue codes

# NRS Diagnosis Groups

NRS Diagnosis Group Description	ID
Anal fissure, fistula and abscess	1
Cellulitis and abscess	2
Diabetic ulcers	3
Gangrene	4
Malignant neoplasms of skin	5
Non-pressure and non-stasis ulcers (other than diabetic)	6
Other infections of skin and subcutaneous tissue	7
Post-operative complications	8
Traumatic wounds, burns and post-operative complications	9
Z code, Cystostomy care	10
Z code, Tracheostomy care	11
Z code, Urostomy care	12

## Case Mix Categories Offering NRS points

- Cancer
  - Primary = 15 NRS points
  - Secondary = 4 NRS points
- *Note: Generally the unspecified codes do not add case mix clinical points*

## Case Mix Categories Offering NRS points

- **Diabetes Mellitus (E08-E13)**

(if used in M1021 only) and immediately followed with diabetic ulcer code (L97-)

- Primary = 20 NRS points
- Secondary = 0 NRS points
- *Note: E08 and E09 have sequencing instructions to 'code first'*

## Case Mix Categories Offering NRS Points

- **Skin I**

- Trauma (open) wounds/Burns
- Complicated surgical wounds:
  - Dehiscence
  - Infection
  - Foreign body accidentally left during procedure
  - Non-healing
  - Persistent fistula

Primary = 19 – 23 points

Secondary = 8 – 15 points

# Case Mix Categories Offering NRS points

- Ortho I

- Traumatic amputation of leg(s) (partial) or (complete)
- Primary = 19 points
- Secondary = 8 points

# Case Mix Categories Offering NRS Points

- Skin II

- Abscess
- Cellulitis
- Gangrene (I96 when used as a manifestation pairing)
- Ulcers(except pressure or diabetic)

Primary = 11 – 16 points

Secondary = 7 – 13 points

- *Note: 43+ codes have been added to the NRS scoring algorithm that are not case mix codes. The codes are other infections of the skin and subcutaneous tissue*
- *Note: Diabetes with a manifestation of gangrene are calculated from the gangrene Group, not the diabetes Group*

## Case Mix Categories Offering NRS Points

- Tracheostomy
- Z43.0 **attention** to tracheostomy
- Must be doing something to or about the ostomy
- Primary or Secondary = 23 NRS points
- Note: 0 NRS points if infected

## Case Mix Categories Offering NRS Points

- Urostomy/Cystostomy
- Z43.5 **attention** to cystostomy
- Z43.6 **attention** to other artificial opening of urinary tract
- Must be doing something to or about the ostomy
- Cystostomy - Primary or Secondary = 16 points
- Urostomy – Primary or Secondary = 24 points
- Note: 0 NRS points if infected

# OASIS Data Elements Offering NRS Points

OASIS Question	Question Title	Response Number	Point Value
M1030	Therapy at home	1	5
M1322	Stage I Pressure ulcers	1,2,3,4	4-6
M1308	Stages II, III, IV Pressure ulcers	A –D3	14-75
M1332	Stasis ulcers	2,3,4	6-21
M1330	Unobservable stasis ulcers	1,3	9
M1334	Problematic stasis ulcers	1,2,3	6-36
M1342	Status surgical wound	2,3	4,14
M1610	Urinary catheter	2	9
M1620	Bowel incontinence	4,5 (daily or >)	10
M1630	Ostomy	1,2	27-45 + skin + 11-14

## Non Routine Supplies

- Diagnoses should be included on any condition in which the agency is supplying NRS
- NRS points are calculated in part from diagnoses in M1021 and M1023 along with selected OASIS data responses
- Episode severity level will be calculated using NRS weight table

## NRS Conversion Rate

Severity	Points	Payment 2014	Payment 2015
1	0	\$14.73	\$14.47
2	1 to 14	\$53.19	\$52.27
3	15 to 27	\$144.16	\$143.31
4	28 to 48	\$214.19	\$212.92
5	49 to 98	\$330.29	\$328.33
6	99+	\$568.06	\$564.69

## Non Routine Supplies

- Non routine supplies can have a significant effect on reimbursement
- Thorough and complete OASIS assessments are important
- Understanding the relationship between NRS and reimbursement is important because it is the clinician/coder that determines NRS point eligibility.

## Example

- Patient admitted with a gangrenous right toe ulcer due to diabetes with angiopathy. The patient takes insulin. The focus of care is the ulcer.
- M1021: E11.621 Type 2 diabetes with ulcer of toe
- M1023: L97.512 Non pressure right toe ulcer with fat layer exposed
- M1023: E11.52 Type 2 diabetes with angiopathy with gangrene
- M1023: Z79.4 Long term use of insulin

## Example

M1021/M1023	Code Title	Clinical Case Mix	NRS Points
E11.621	DM with ulcer	0	20
L97.512	Ulcer	2	0
E11.52	DM with gangrene	0	8

## Example

- Patient admitted for a persistent post operative fistula and an infected 2<sup>nd</sup> degree burn to the back of the left hand from scalding water. Both wounds will require equal attention from the nurse.

## Answer

### Option A

- M1021: T23.262D Burn hand
- M1023: T81.83xD Persistent post operative fistula
- M1023: X12.xxxD burn from hot liquid
- 4 clinical points (low therapy)  
or
- 21 clinical points (high therapy)  
and
- 19 NRS points

### Option B

- M1021: T81.83xD Persistent post operative fistula
- M1023: T23.262D Burn hand
- M1023: X12.xxxD burn from hot liquid
- 4 clinical points (low therapy)  
or
- 21 clinical points (high therapy)  
and
- 23 NRS points

***Best option***

# Take Away Points

- High quality documentation is the foundation in an ICD-10 environment
- Accurate coding is the building blocks
- Payment in part, will be linked to precise coding
- Both are critical to your organizational success in an ICD-10 environment

Tricia A. Twombly BSN RN HCS-D HCS-O COS-C CHCE  
AHIMA Approved ICD-10-CM Trainer  
AHIMA Ambassador  
Senior Director  
Decision Health

Chief Executive Officer  
Board of Medical Specialty Coding and Compliance

[www.decisionhealth.com](http://www.decisionhealth.com)  
[ttwombly@decisionhealth.com](mailto:ttwombly@decisionhealth.com)