Introduction to ICD-10-CM
Diagnosis Coding for Dermatology

ICD-10 History

1993 ICD-10 Underwent major restructuring
- Driven by need to expand categories
- Retain same organization of sections
- Alpha-numeric code labels

Expanded use of families
- Improved consistency
- Better granularity

Pave way to ICD-11
- ICD-11 will be built on ICD-10 foundation

What is ICD-10

Format and Structure
General Coding Guidelines
Chapter Specific Guidelines
Specific Coding Examples
What is ICD-10-CM?

- International Statistical Classification of Diseases and Related Health Problems - 10th Revision - Clinical Modification

Alphanumeric statistical system for coding every disease, description of symptom, abnormal finding, complaint, social circumstance, external cause and cause of injury, disease or death afflicting human beings, as classified by the World Health Organization.

- Provides code titles and language that complement accepted clinical practice in the U.S.

- Includes the level of detail needed for morbidity classification and diagnostic specificity in the United States.

- ICD-10-CM is maintained by the U.S. National Center for Vital Health Statistics (NCVHS).

Why all the fuss?

- ICD-10 is a more mature ICD-9.

- ICD-10 is inevitable.

- ICD-10 in comparison to institutions and facilities, work for physician preparation is minimal.

- ICD-10 Preparation and Implementation - Embrace it; Don’t postpone it!

- October 1, 2014

  - ICD-9-CM codes will not be accepted for services provided on or after this date.

  - Claims for dermatological services provided on or after this date must use ICD-10 codes for medical diagnosis.

  - CPT codes will continue to be used for outpatient services.
ICD-10-CM will replace ICD-9-CM

WHO ICD-10 Vs. U.S. ICD-9

World Health Organization (WHO), Healthcare providers in other countries speak the same language (ICD-10)!

USA lacking behind in providing detailed data to WHO/payers due to lack of clarity and limited code selection (ICD-9)

ICD-9-CM Lacking…..

- Sufficient specificity and detail
- Ability to support U.S. transition to an interoperable health data exchange
- Need for a uniform language is paramount
- Currently, use of different slang, abbreviations, terms for the same diagnosis or treatment
- Standardization through use of SNOMED Clinical Terms (SNOMED CT) critical

Thanks!
Cheers!
Why replace ICD-9?

10/3/2013

American Academy of Dermatology

Why replace ICD-9?

- Does not reflect current disease processes
- Running out of capacity
- Inability to compare costs & outcomes
- Does not fit 21st century healthcare systems

ICD-9

- Recognizes advances in medicine and technology
- Improved ability to track and respond to international public health threats
- Space to accommodate future expansion
- Enhanced ability to meet HIPAA electronic transaction/code set requirements

ICD-10

Alignment of the U.S. with coding systems worldwide

Eventually, we will all be on the same page!

Thanks!

ICD-10-CM
Where Do I Start?

Educate yourself

- Attend seminars, online webinars
- Sign up for newsletters

Check periodically for updates

- www.aad.org/ICD-10

Take Charge!

Become an expert

- Practice applying ICD-10-CM codes

Practice, Practice, Practice

Network with peers

- Seek answers to cases and common application of ICD-10-CM codes
- Take advantage of state society/associations

To Understand ICD-10-CM Coding System

- Review code structure and coding conventions for ICD-10-CM
- Learn the fundamentals of the ICD-10-CM system
- Analyze and practice applying the ICD-10-CM coding guidelines
ICD-10-CM Composition

- Alphanumeric codes (A00-Z99)
- Addition of sixth and seventh character extensions (e.g., injuries, external causes)
- Addition of detail (e.g., laterality)
- Expanded codes (e.g., injury)
- Revised codes (e.g., skin & Subcutaneous)
- Combining certain codes: Underlying cause & clinical manifestation codes

ICD-9 Format vs. ICD-10 Format

- **ICD-9 Format**
  - Category Etiology, anatomical site, manifestation

- **ICD-10 Format**
  - Category Etiology, anatomical site & Severity Extension

Structural Differences

- **ICD-9-CM**
  - 5 characters
  - All characters are numeric

- **ICD-10-CM**
  - 3 – 7 characters
  - 1st character is alpha (A-Z, not case sensitive)
  - 2nd character is numeric
  - 3rd – 7th character maybe alpha or numeric

Grouped logically into code families
ICD-10-CM Code Structure

- **All categories contain three characters**
  - First character of category is always a letter
  - Second and third characters can either be a number or alpha character
- **Subcategories contain four or five characters**
  - Characters can either be numbers or letters
- **Complete code can be three, four, five or six characters**
  - Final character in code can either be a number or letter
- **Some categories contain seventh character extensions**

### Three Character Categories

- **Chapter 2: Neoplasms**  
  (C00 – D49)
- **Chapter 12: Dis. Of the Skin & Subcutaneous Tissue**  
  (L00 – L99)
- **Chapter 18: Symptoms, Signs & Abnormal Clinical Lab. Findings**  
  (R00 – R99)

### Four, Five, Six....

- **Four Character Categories**
  - D03
    - Melanoma in situ
  - D03.0
    - Melanoma in situ of lip
- **Five-Six Character Classification**
  - C44.70
    - Basal cell carcinoma of skin, lower limb
  - C44.712
    - Basal cell carcinoma of skin, right lower limb
**Dummy Placeholders**

A placeholder is represented by character “X”

- Can be used as a 5th character placeholder, at certain six character codes to allow for future expansion.

T81.4XXA

- Infection following a procedure e.g. wound abscess following a procedure.

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**Efficiency!**

<table>
<thead>
<tr>
<th>Clinicians</th>
<th>Coders</th>
</tr>
</thead>
</table>
| • New concepts in ICD-10  
  • Require clinical documentation adherence | • Brush up on A&P  
  • In-depth understanding of medical terminology required  
  • Work in collaboration with clinical staff |

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**ICD-10-CM for Dermatology**
Locating a Code

Verify Code in Index

Assign codes based on coding conventions

Locate Code in Index

Verify Code in Tabular List

Assign codes based on coding conventions

Default Codes

Code listed next to a main term in the Index are referred to as 'default code'

Usually unspecified

NEVER code directly from the default code

Conventions

NEC
Use 'other specified' code in tabular list

NOS
Equivalent to 'unspecified'
Rationale NEC

Vignette
- Thickened, red, scaly patches under armpits, groin area

Assessment
- Flexural Psoriasis

ICD-10-CM Code:
- L40.8

Look up Psoriasis in Alpha Index
Then Flexural

Identify code for Flexural Psoriasis
Assign appropriate code

Rationale NOS

Vignette
- Red, prominent, flat and pale scar tissue

Assessment
- Scar NOS

ICD-10-CM Code:
- L90.5

Look up Scar in Alpha Index
Instruction: See also Cicatrix

Go to Cicatrix
Look up skin – L90.5

Then Go to Tabular section
Look up L90.5 Identify Scar NOS Code appropriately

To Include

Includes Notes
- Note appears immediately under a three character code title
- Further defines; gives examples of the content of the category
- Two conditions cannot occur together e.g., congenital form versus an acquired form of the same condition

Inclusion terms
- List of terms is included under some codes
- Conditions for which this code is to be used
- Not necessarily exhaustive; Additional terms found in the Alphabetic Index which may also be assigned to a code
Rationale ‘Includes’

- 10-mm diameter ill-defined, bumpy looking
- Skin lesions may range in size
- Lack of sharpness of edges, though usually
- Area may have unusual components

Look up Nevus in
Then skin
Then trunk – D22.5
Identify root code
Identify code for trunk
Choose appropriate code

Vignette
• 3 mm diameter ill-defined, funny looking
mole with irregular margins on trunk.
• Varying shades of color, though mostly
pink with flat and bumpy components

Assessment:
• Melanocytic Nevi
ICD-10-CM
Code:
• D22.5

To Exclude: two types

Excludes Notes: Each type of note has a different definition for use; though similar, they both indicate that codes excluded from each other are independent of each other

Excludes1: pure excludes note
Means “NOT CODED HERE”
- Indicates code excluded; should never be used in the same line as the code above the Excludes1 note
- Two conditions cannot occur together e.g. congenital form versus an acquired form of the same condition

Excludes2: Means “NOT INCLUDED HERE”
- Indicates that the condition excluded is not part of the condition represented by the code, but patient may have both conditions at the same time
- Acceptable to use both the code and the excluded code together, when appropriate

Allergic contact dermatitis (L23.x)

Excludes1
- Allergy NOS (L11.x)
- Contact dermatitis NOS (L25.x)
- Dermatitis NOS (L30.x)

Excludes2
- Dermatitis due to substances taken internally (L27.x)
- Irritant contact dermatitis (L22.x)
Vignette:

- Reddish, itchy right wrist under watch strap location. Strap buckle contains nickel.

Assessment:

- Allergic contact dermatitis

KBD/ICD-10 Code:

- L23.0

Rationale ‘Excludes’

- Contact dermatitis, NOS, allergy NOS
- Dermatitis taken internally

Identify Root code L23

Excludes 1: Contact dermatitis, NOS, allergy NOS
Excludes 2: Dermatitis taken internally

Choose appropriate code

Code First/Use Additional Code

Codes that have both an underlying etiology and multiple body system manifestations due to the underlying etiology require sequencing.

Code the underlying condition first followed by the manifestation.

Rationale ‘Code first’/ ‘Use additional Code’

- Code first poisoning due to drug or toxin, if applicable. 
  (T36 – T60 with fifth or sixth character set 1-4 or 6)

- Use additional code for adverse effect, if applicable to identify drug: 
  (T36 – T50 with fifth or sixth character 5)

Instruction: Code first poisoning due to drug or toxin, if applicable. 
Use additional code for adverse effect, if applicable, to identify drug.
Conventions

Use of ‘and’ represents ‘and/or’

- With/without
  - Final character of code set can be either
  - Insufficient documentation, default to ‘without’

Laterality

- Final character of the bilateral codes indicates laterality

Guidelines

- Code also
  - Report two codes to fully describe condition

- ‘see’ and ‘See also’
  - Reference another term in the index

- Brackets, colons, parenthesis, etc
  - Work exactly the same as in ICD-9-CM

Example

- Dysplastic nevi
- See
- Neoplasm, skin, benign
Rationale

- 5-mm diameter ill-defined, funny looking, rule with irregular margins on right lower arm
- Varying shades of color, though mostly pink with flat and bumpy components

Assessment

- Dysplastic Nevi

ICD-10-CM Code:

Why document Laterality

C44.0 Malignant neoplasm of skin of lip
  Malignant neoplasm of basal cell carcinoma of lip
  Excl. malignant neoplasm of lip (C00.x)

C44.1 Malignant neoplasm of eyelid, incl. canthus
  Excl. connective tissue of eyelid (C49.x)

C44.10 Malignant neoplasm of skin of eyelid, incl. canthus, unspecified side

C44.11 Malignant neoplasm of skin of right eyelid, incl. canthus

C44.12 Malignant neoplasm of skin of left eyelid, incl. canthus

Signs and Symptoms

Similar to ICD-9-CM coding

Use with confirmed diagnosis only if not associated with confirmed diagnosis

Do not report if there is a confirmed diagnosis
Example

Rash and other nonspecific eruption

• R21 – Rash NOS

Radiation-related disorders of the skin and subcutaneous tissue (L55-L59)

- 3 character codes, specify type
- L55.x Sunburn
- L56.x Other acute skin changes due to ultraviolet radiation
- Multiple matches – pick most specific for accurate coding
- L57.x Actinic Keratosis
- L59.x Other disorders of the skin & subcutaneous tissue related to radiation

Other disorders of the skin and subcutaneous tissue (L80-L99)

702.xx - Seborrheic Keratosis

- L82.x Seborrheic Keratosis
  - Incl: dermatosis papulosa nigra, Leser-Trélat disease
- L82.0 Inflamed seborrheic keratosis
- L82.1 Other seborrheic keratosis
  - Seborrheic keratosis NOS
Multiple Codes, Single Condition

- Skin changes due to chronic exposure to nonionizing radiation
- Use additional code to identify the source of the ultraviolet radiation (W89, X32)

Rationale multiple codes, single condition

- Small bumps, pustules on face after several weeks of applying a topical steroid
- Rosacea-like condition caused by potent topical steroid use
- L71.8

Acute and Chronic Conditions

- Read guidelines & instructions
Guidelines

**Conditions that are an integral part of a disease process**

Signs and symptoms that are associated routinely with a disease process should not be assigned as additional codes, unless otherwise instructed by the classification.

**Conditions that are not an integral part of a disease process**

Additional signs and symptoms that may not be associated routinely with a disease process should be coded when present.

Combination codes

A single code used to classify:
- Two diagnoses, or
- A diagnosis with an associated secondary process (manifestation)
- A diagnosis with an associated complication

Papulosquamous disorders (L40-L45)

- L42 Psoriasis vulgaris
- L43.x Lichen planus
- L41.x Pityriasis rosea
- L44.x Other papulosquamous disorders
- L40.xx Psoriasis
- L45 Papulosquamous disorders in diseases classified elsewhere

ICD-9-CM

- 696.x
- 697.x
Intraoperative and post-procedural complications … (L76)

L76.xx
Intraoperative and post-procedural complications of skin and subcutaneous tissue

e.g., L76.21
Post-procedural hemorrhage and hematoma of skin and subcutaneous tissue following a dermatologic procedure

Coding Rule

Each diagnosis code can only be reported once for an encounter

Abnormal Test Findings

laboratory, pathologic, and other diagnostic results

Do not code unless the physician indicates their clinical significance
Chapter 2 (C00-D49): Malignant Neoplasms

Neoplasms of the skin are classified first by malignant, in situ, benign, uncertain behavior, and unspecified behavior; and within this, by site.

C43.xx Malignant melanoma of skin

C44.xxx Other and unspecified neoplasm of skin

Malignant Neoplasms Documentation Guidelines

Chapter 2 Neoplasms (C00-D49) Location Morphology

Documentation must state whether lesion is:

Benign In-situ Malignant Uncertain histologic behavior Laterality (where applicable)

Chapter 2 (C00-D49): Malignant Neoplasms

Neoplasms of the skin are classified first by malignant, in situ, benign, uncertain behavior, and unspecified behavior; and within this, by site.

C43.xx Malignant melanoma of skin

C44.xxx Other and unspecified neoplasm of skin
Malignant Melanoma

**C43 Malignant melanoma of skin**

- Excls1: Melanoma in situ (D03.x)
- Excls2: Malignant melanoma of skin of genital organs (C51-C52, C60.x, C6.x)
- Merkel cell ca (C4a.x)
- Sites other than skin – code to malignant neoplasm of the site
  - e.g., C43.38 malignant melanoma of other and unspecified parts of face

Malignant Melanoma

- **C43.60** Malignant melanoma of unspecified upper limb, incl. shoulder
- **C43.61** Malignant melanoma of right upper limb, incl. shoulder
- **C43.62** Malignant melanoma of left upper limb, incl. shoulder

Neoplasms

**C44 Other Malignant neoplasm of skin**

- Incls: Malignant neoplasm of sebaceous glands
- Malignant neoplasm of sweat glands

- Excls: Kaposi's sarcoma of skin (C46.0)
- Malignant melanoma of skin (C43.x)
- Malignant neoplasm of skin of genital organ (C51–C52, C60.x, C63.2)
### Basal Cell Carcinoma

- **C44.711** Basal cell carcinoma of unspecified lower limb, incl. hip
- **C44.712** Basal cell carcinoma of right lower limb, incl. hip
- **C44.719** Basal cell carcinoma of left lower limb, incl. hip

### Squamous Cell Carcinoma

- **C44.721** Squamous cell carcinoma of unspecified lower limb, incl. hip
- **C44.722** Squamous cell carcinoma of right lower limb, incl. hip
- **C44.729** Squamous cell carcinoma of left lower limb, incl. hip

### Other malignant neoplasms

- **C44.0** Malignant neoplasm of skin of lip
- **C44.1** Malignant neoplasm of eyelid, incl. canthus
  - Excls1: connective tissue of eyelid (C49.x)
- **C44.10** Malignant neoplasm of skin of eyelid, incl. canthus unspecified side
Other malignant neoplasms - eye

- Malignant neoplasm of skin of right eyelid, incl. canthus
- Malignant neoplasm of skin of left eyelid, incl. canthus

B9 Neoplasm of skin of lower limb, incl. hip

- Multiple codes – pick most specific for accurate coding
  - D23.70 Other benign neoplasm of skin of unspecified lower limb, incl. hip
  - D23.71 Other benign neoplasm of skin of right lower limb, incl. hip
  - D23.72 Other benign neoplasm of skin of left lower limb, incl. hip
  - D23.9 Other benign neoplasm of skin, unspecified

Certain skin infections included in the infectious disease chapter

- B07 Viral wart
  - ICD-9-CM 693.xx
  - Plantar wart
  - Verruca plantaris
- B07.9 Other viral wart, unsp.
- B02 Zoster (herpes zoster)
  - ICD-9-CM 692.xx
- B02.9 Zoster w/out comp.
Rationale - Acne

Vignette:
- Painful, inflamed papules, pustules on face, back, upper chest.

Assessment:
- Acne Vulgaris

ICD-10-CM Code:
- L70.0

Rationale

Look up Acne in Alpha Index
Then Vulgaris

Look up Acne in Alpha Index
Then Vulgaris

Locate Root Code L70
Then code for Acne Vulgaris

Uncertain and Unspecified Codes

D48.5
Neoplasm of Uncertain behavior, skin

D49.2
Neoplasm of unspecified behavior of bone, soft tissue and skin

Combination Codes

Granularity

Laterality

Principal/first Listed Diagnosis
Documentation Guidelines

Acute & Chronic Conditions

When documented as both Acute and Chronic And separate codes available

Code both

Sequence Acute or Sub-acute first

Then code chronic

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Etiology/Manifestation

Conditions with underlying etiology

Look for “Use additional code” Or “code first” instruction

Code underlying condition first

Then code the manifestation

American Academy of Dermatology
Malignant Neoplasms
Documentation Guidelines

Chapter 2
Neoplasms (C00-D49)

Location
Morphology

Malignant Neoplasms
ICD-9-CM
• 172 Malignant neoplasm of skin
  Incls:
  melanocarcinoma
  melanoma in situ
  melanoma (skin) NOS
  Excls:
  skin of genial organs
  sites other than skin

ICD-10-CM
• C43 Malignant melanoma of skin
  Excls1:
  Melanoma in situ (D03.x)
  Excls2:
  malignant melanoma of skin of genital organs (C51-
  C52, C60.x, C63.x)
  Merkel cell ca (C4a.x)
  sites other than skin -- code to malignant neoplasm of site
  e.g., C43.30 malignant melanoma of other and unspecified parts of face

Malignant Neoplasms
ICD-9-CM
• 173 Other malignant neoplasm of skin
  Incls:
  malignant neoplasm of sebaceous glands
  sudoriferous...
  Excls:
  Kaposi’s sarcoma
  malignant melanoma of skin

ICD-10-CM
• C44 Other Malignant neoplasm of skin
  Incls:
  malignant neoplasm of:
  sebaceous glands
  malignant neoplasm of sweat glands
  Kaposi’s sarcoma of skin (C46.0)
  malignant melanoma of skin
  malignant neoplasm of skin of genital organ (C51–C52,
  C60.x, C63.2)
### Malignant Neoplasms

#### ICD-9-CM

- 173.0  Skin of Lip
  - Excl: Vermilion border of lip
  - (140.0-140.1, 140.)

- 173.1  Eyelid, incl. canthus
  - Excl: Cartilage of eyelid (171.0)

#### ICD-10-CM

- C44.0  Malignant neoplasm of skin of lip
  - Malignant neoplasm of basal cell carcinoma of lip
  - Excl1: Malignant neoplasm of lip (C00.x)

- C44.1  Malignant neoplasm of eyelid, incl. canthus
  - Excl1: Connective tissue of eyelid (C49.x)

- C44.10 Malignant neoplasm of skin of eyelid, incl. canthus, unspecified side

- C44.11 Malignant neoplasm of skin of right eyelid, incl. canthus

- C44.12 Malignant neoplasm of skin of left eyelid, incl. canthus

#### ICD-9-CM

- 173.01 Basal cell carcinoma of skin of lip

- 173.51 Basal cell carcinoma of skin of trunk, except scrotum

#### ICD-10-CM

- C44.01 Basal cell carcinoma of skin of lip

- C44.02 Squamous cell carcinoma of skin of lip

- C44.519 Basal cell carcinoma of skin of other part of trunk

- C44.129 Squamous cell carcinoma of skin of other part of trunk

#### Neoplasm of uncertain behavior, skin

- D48.5  Neoplasm of uncertain behavior of skin
  - Excludes: Skin of genital organs (D39.8, D40.7), vermilion border of lip (D37.0)

#### Neoplasm of skin of lower limb, incl. hip

- D23.70 Other benign neoplasm of skin of unspecified lower limb, incl. hip

- D23.71 Other benign neoplasm of skin of right lower limb, incl. hip

- D23.72 Other benign neoplasm of skin of left lower limb, incl. hip

- D23.9  Other benign neoplasm of skin, unspecified

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**Note:** The images and text are not fully visible due to the cropping. The information provided is based on the visible content.
ICD-9-CM ➔ Acne NOS – 706.1

- 8 codes
  - need enough information as to what type of Acne pt presents
  - L70 Acne (Root code)
  - Excludes2 acne keloid (L73.0)
  - Include appropriate 4th digit

ICD-10-CM
- L70.0 Acne Vulgaris
- L70.1 Acne conglobata
- L70.4 Infantile Acne
- L70.8 Other Acne
- L70.9 Acne, Unspecified

Radiation-related disorders of the skin and subcutaneous tissue (L55-L59)

- 3 character codes, specify type
  - L55.x Sunburn
  - L56.x Other acute skin changes due to ultraviolet radiation

- Multiple matches – pick most specific for accurate coding
  - L57.x Actinic Keratosis
  - L58.x Radiodermatitis
  - L59.x Other disorders of the skin & subcutaneous tissue related to radiation

Other disorders of the skin and subcutaneous tissue (L80-L99)

702.xx - Seborrheic Keratosis

- L82.x Seborrheic Keratosis
  - Incl: dermatosis papulosa nigra Leser-Trelat disease
- L82.0 Inflamed seborrheic keratosis
- L82.1 Other seborrheic keratosis
  - Seborrheic keratosis NOS
Papulosquamous disorders (L40-L45)

ICD-9-CM

696.X
697.x

L40.xx
Psoriasis

L41.x
Parapsoriasis

L42
Psoriasis vulgaris

L43.x
Lichen planus

L44.x
Other papulosquamous disorders

L45
Papulosquamous disorders in diseases classified elsewhere

Intraoperative and post-procedural complications … (L76)

L76.xx
Intraoperative and post-procedural complications of skin and subcutaneous tissue

e.g., L76.21
Post-procedural hemorrhage and hematoma of skin and subcutaneous tissue following a dermatologic procedure

October 1, 2014

Single compliance date

Use valid code for date of service

Date of service driven

Report appropriate code
Successful ICD-10 Implementation

Quality in Healthcare

It takes a village
We are all in this together

In Summation

Clinical detail of ICD-10-CM has potential to:
- Improve reimbursement fairness
- Enable more accurate and detailed statistics
- Improve the ability to assess quality
- Support improved data retrieval and analysis

Stay current and compliant with these coding resources!

3984 Coding and Documentation Manual for Dermatology
- Core component of AAD’s coding and documentation program
- New and revised ICD-10-PCS procedure codes and guidelines
- ICD-10-PCS coding tips to ensure accurate code selection
- New ICD-10-PCS coding, and ICD-10-CM reimbursement updates

ICD-10-CM to ICD-9-CM Crosswalk for Dermatology — NEW!
Link the most frequently used ICD-9-CM codes to corresponding ICD-10-CM codes with this laminated quick-reference card.

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At the End of the Rainbow…

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