Risk Adjustment – Moving Toward Pay for Performance

SAINT LOUIS UNIVERSITY
COMPLIANCE
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Risk Adjustment is a modern methodology that accounts for known and/or discovered health data elements and levels comparisons of wellness among patients.

Costs can vary greatly from one patient to another and risk adjustment is a method to evaluate all patients on an equal scale. Risk adjustment levels the playing field for all patients being treated within a plan or group. Identified variables from patient to patient can help identify those patients who may have a higher medical need than others. This helps explain current trends in healthcare spending, assists in the forecasting of future needs of those patients, and identifies the resources that will be necessary to deliver care efficiently. While some of these adjustments can affect payment, all of these factors also have a great influence on quality of care endeavors as patient care needs are identified. From a payment perspective, risk adjustment models adjust payments as either higher or lower than average, based on many health variables.

As CMS moves towards reimbursing providers based on performance measures, the practice of accurately recording diagnoses will assist providers in submitting accurate diagnoses data and receiving reimbursement that reflects the patient conditions, progress and outcomes.

Section IV.J in the ICD-10-CM Official Guidelines for Coding and Reporting states to code all documented conditions that coexist at the time of the encounter/visit, and require or affect patient care treatment or management.
For example: A patient comes in for a possible strep pharyngitis and has known diabetic neuropathy; it would be appropriate to choose the pharyngitis as the primary diagnosis code (or main reason for the visit) and include codes for the diabetic neuropathy. Those diagnoses are taken into consideration when treating the presenting problem.

Diabetes is one of the biggest challenges. Many providers document basic diabetes and do not document any complications or manifestations the patient may have. Overall, most patients with diabetes have a complication or manifestation which puts them in a higher risk adjustment model. If the complication or manifestation is not documented (or coded to the highest level of specificity) this not only skews the reality of the state of health of each patient, but it also skews data being collected and how the United States compares by reported diagnosis codes to the health of other nations.

Chronic Condition	Tips for Provider	Tips for Coder/Biller
Diabetes Mellitus **(ICD-10 category E08-E13)**	• Document type or cause of diabetes • All diabetic complications or manifestations must be clearly linked to the diabetes in a cause-and-effect relationship • Best practice is to document each and every complication with the descriptor "diabetic". For example: Diabetes type 1 with diabetic peripheral neuropathy/Diabetes type 2 with diabetic nephropathy and diabetic retinopathy • Always document the cause of the secondary diabetes • If the patient is currently taking insulin, clearly document the current insulin regimen in the treatment plan section of the record (not only in the medication list)	• If the type of diabetes is not documented in the medical record, the default is Type 2 diabetes mellitus • Remember that, unlike ICD-9-CM, ICD-10-CM does not classify diabetes as controlled or uncontrolled. Rather, the alphabetic index advises that for diabetes mellitus described as inadequately controlled, out of control or poorly controlled, we must "code to Diabetes, by type, with hyperglycemia" • To be coded as a complication of diabetes, the medical record must clearly link the complication directly to the diabetes mellitus as the cause • Code Z79.4 (Long term (current) use of insulin) should not be assigned based ONLY on a simple notation of "insulin" on the medication list. The medical record must clearly show the patient currently takes insulin regularly and routinely

Frequently coded conditions in risk adjustment models include but are not limited to: Angina, Amputation Status, Artificial Openings, Asthma, Atrial Fibrillation/Flutter, BMI, Cardiomyopathy, CVA, CKD, COPD, CHF, DVT, Dementia, Depression, Diabetes, Epilepsy, GERD, Hepatitis, HIV, Hypertension, MI, Neoplasms, Neuropathy.

Remember to see each patient once a year. The health status of each patient needs to be re-determined each year. Diagnoses from a prior year do not "carry over" for CMS. All conditions that constitute the "composite health picture" of the patient should be documented clearly and legibly in the progress note of the medical record. This is not limited to what brought the patient to the doctor today. What other conditions is the patient dealing with every day?

EXPORT CONTROLS

The United States Senate has introduced a bill, *Sentencing Reform and Corrections Act of 2015 § 108*, that would create a mandatory minimum sentence of five years for providing "controlled goods or services" to countries or individuals on federal sanction lists. This bill reminds us of the importance of contacting the Export Control Officer prior to International Travel, conducting business with foreign vendors or hosting foreign visitors. Common university equipment, laptops and tablets, are included on the list of controlled items (Commerce Control List). Under current rules sharing of these dual-use items, will lead to severe punishment of the university and individual. Please contact the Export Control Officer prior to traveling internationally, conducting business with a foreign vendor or hosting a foreign visitor. Michael Reeves Mreeves8@slu.edu 977-5880

2015 Annual Compliance Update

Please remember that you now have access to the 2015 Annual Compliance Update via your MySLU portal under the "Compliance Requirements" box. This mandatory education initiative must be completed by **October 31, 2015.**

We want to send a special *Thank You* to those of you who have completed the training.
We are now at over 80% completion! For those of you who have yet to complete the ACU, please do so at your earliest opportunity.

In order to ensure each department is on schedule to complete the update before the deadline, Compliance will begin to contact each department Chair and Business Manager and supply them with a departmental status report.

Coding Corner

In accordance with the Chapter 1: Certain Infectious and Parasitic Diseases, Human immunodeficiency virus (HIV) infections, Coding Guidelines (Section I.C.1.a.2), the chart below outlines which ICD-10-CM code should be sequenced first based on the guidelines.

Scenario	First Listed ICD-10-CM Code
HIV related condition is being treated	B20
HIV patient is treated/admitted for unrelated condition	Unrelated condition
"HIV positive", "Known HIV", "HIV test positive"	Z21
AIDS or any HIV related illness	B20
Previously diagnosed HIV-related illness	B20
Inconclusive HIV serology	R75
HIV during pregnancy	O98.7-
Encounter for HIV testing	Z11.4
Patient returns to be given test results (negative)	Z71.7

Departmental E/M Training

The Compliance Department is offering Evaluation and Management Documentation training for any department/specialty. This one hour session will provide information about the general principles of evaluation and management (E/M) documentation, and common sets of codes used to bill for E/M services. Please contact Cindy Stacy at stacyc@slu.edu to schedule a session.