



### **HCC** Focus

#### Overview:

Hierarchical Condition Category (HCC) coding is a risk-adjustment model created by the centers for Medicare & Medicaid Services (CMS) to estimate future health care costs for patients.

- CMS maps an ICD-10 code to exactly one HCC to assign risk scores to patients.
- Payers assign patients a risk-adjustment factor (RAF) using HCC scores and demographic

factors, such as age and gender, which factor into the calculation.

- Algorithms then allow payers to use a patient's RAF to predict costs.
- Higher costs would be predicted for sicker patients and lower costs for healthier patients.

#### **Financial Impact of Scoring:**

| 76-YEAR-OLD FEMALE, DEMOGRAPHIC RAF SCORE = .448                         |           |   |                  |  |
|--|-----------|---|------------------|--|
| Nonspecific Documentation  | HCC Score | Specific Documentation  | <b>HCC Score</b> |  |
| Obesity  | 0         | Morbid obesity, BMI 42  | .273             |  |
| Type 2 Diabetes  | .104      | Type 2 diabetes<br>with peripheral neuropathy                                   | .318             |  |
| Depression   | 0         | Major depressive disorder, recurrent  | .395             |  |
| CHF  | .323      | Chronic diastolic CHF   | .323             |  |
| Pressure Ulcer, right heel   | 0         | Stage 3 pressure ulcer of right heel  | 1.204            |  |
| Smoker, chronic cough  | 0         | COPD  | .328             |  |
| Disease Interaction CHF + DM   | .154      | Disease Interaction<br>CHF + DM + COPD  | .154, .19        |  |
| Risk Score: <b>1.029</b> Sample MA member Annual payment: <b>\$9,000</b> |           | Risk Score: <b>3.633</b><br>Sample MA member<br>Annual payment: <b>\$32,000</b> |                  |  |

#### Why does this matter?

- Value-based payment contracts are focusing on risk adjustment
- HCC coding explains patient complexity and paints a picture of the whole patient
- Helps with predicting health care resource utilization
- · Risk-adjustment factors (RAFs) are used to adjust

By accounting for differences in patient complexity, quality, and cost, performance canbe more appropriately measured

### HCC Focus | M.E.A.T.

#### **Documenting with M.E.A.T.:**

HCC conditions may be rejected without the proper supportive documentation. Use the acronym M.E.A.T. to make sure you are documenting appropriately.

**MONITOR: EVALUATE:** TREAT: physical exam (address) tests, medications, signs, therapies, symptoms, disease test results, review of referrals, other response to records. modalities progression

DIAGNOSES RESET JANUARY 1 AND NEED TO BE READDRESSED EACH YEAR.

#### **Documentation Tips:**

- Choose the most specific diagnosis.
- Make sure documentation addresses the current status as well as the specific treatment plan.
- Document all applicable descriptors where appropriate (ex. A-FIB-CHRONIC, PAROXYSMAL, etc.).

#### PRIORITIZATION OF DIAGNOSES IS IMPORTANT!

## HCC Focus | Diabetes

| HCC | Type 1  | Type 2  | Description  |
|-----|---------|---------|--|
| 19  | E10.9   | E11.9   | DM without complications   |
| 18  | E10.21  | E11.21  | DM with diabetic nephropathy   |
| 18  | E10.22  | E11.22  | DM with diabetic chronic kidney disease  |
| 18  | E10.319 | E11.319 | DM with diabetic retinopathy   |
| 18  | E10.36  | E11.36  | DM with diabetic cataract  |
| 18  | E10.40  | E11.40  | DM with diabetic neuropathy  |
| 18  | E10.42  | E11.42  | DM with diabetic polyneuropathy  |
| 18  | E10.51  | E11.51  | DM with diabetic peripheral angiopathy   |
| 18  | E10.621 | E11.621 | DM with diabetic foot ulcer  |
|     |         |         |  |
| 18  | E10.649 | E11.649 | DM with hypoglycemia without coma  |
| 18  | E10.65  | E11.65  | DM with hyperglycemia  |
| 18  | E10.69  | E11.69  | DM with other specified complication* *Must specify, link, and code complication |

<sup>•</sup> If a patient is Type 1, consider coding E10.65 (with hyperglycemia) when clinically indicated to increase the RAF by 0.21.

- When searching the diagnosis, start with entering "type 1 (or 2) diabetes" to ensure specificity.
- When coding with CKD, make sure you include the stage.
- Add location and stage for ulcers.

#### **Other Code Considerations:**

| Description                | RAF   | Туре   | Description  |
|----------------------------|---|--|--|
| Without complication       | 0.102   | Z79.4  | Insulin Use<br>*Carries an additional weight of 0.104  |
| With chronic complications | 0.312   | E66.01   | Morbid (severe) Obesity  |
| With acute complications   | *Carries an additional weight of 0.5            |  | BMI must be 40+, code BMI (Z68.41-45) *Carries an additional weight of 0.273   |
| (coma, ketoacidosis, etc.) |   | Z89  | Acquired absence of (name limb)  amputation status, be specific: above, below,  left, right Lower limb = 0.578 RAF                   |
|                            | Without complication With chronic complications | Without complication 0.102 With chronic complications 0.312 With acute complications | Without complication 0.102 Z79.4  With chronic complications 0.312 E66.01  With acute complications (coma, ketoacidosis, etc.) 0.312 |

## HCC Focus | Chronic Lung Disease

| HCC | Dx Code                 | Diagnosis                        | RAF Score |
|-----|-------------------------|----------------------------------|-----------|
| 111 | J41.0                   | Simple chronic bronchitis        | 0.335     |
| 111 | J43 (add 4th character) | Emphysema                        | 0.335     |
|     | 0 = Unilateral          | Emphysema                        | 0.335     |
|     | 1 = Panlobular          | Emphysema                        | 0.335     |
|     | 2 = Centrilobular       | Emphysema                        | 0.335     |
|     | 8 = Other               | Emphysema                        | 0.335     |
|     | 9 = Unspecified         | Emphysema                        | 0.335     |
| 111 | J44.0                   | COPD, with acute resp. infection | 0.335     |
|     | J44.1                   | COPD, with acute exacerbation    | 0.335     |
|     | J44.9                   | COPD, unspecified                | 0.335     |
| 112 | J84.10                  | Pulmonary Fibrosis               | 0.219     |
| 84  | J96.10                  | Chronic Respiratory Failure      | 0.282     |
| 110 | E84.9                   | Cystic Fibrosis                  | 0.510     |

### **DOCUMENT AS SPECIFIC AS POSSIBLE.** *Smoking history, CT results, pfts, etc.*

### HCC Categories that are relevant to the pulmonology specialty

| HCC | Description  |
|-----|--|
| 9   | Lung and other severe cancers                        |
| 82  | Respirator dependence/Tracheostomy status            |
| 84  | Cardio-Respiratory Failure and Shock                 |
| 110 | Cystic fibrosis                                      |
| 112 | Fibrosis of Lung and other chronic lung disorders    |
| 114 | Aspirations and specified bacterial pneumonia        |
| 115 | Pneumococcal pneumonia, emphysema,<br>lung disorders |

### **Other Code Considerations:**

| Туре    | Description                             |
|---------|---|
| Z99.81  | Dependent on supplemental oxygen        |
| Z72.0   | Tobacco use                             |
| F17.2_  | Tobacco dependence                      |
| Z87.891 | History of tobacco dependence           |
| Z77.22  | Exposure to environmental tobacco smoke |

### HCC Focus | Chronic Kidney Disease

If CKD is present, it will always be applicable in a patient with diabetes, heart failure, or hypertension unless documentation indicates they are not related.

Examples of specified codes related to CKD in other conditions:

| HCC    | Description   |
|--------|---|
| 112    | Hypertensive CKD with stage 5 CKD or ESRD                     |
| 112.9  | Hypertensive CKD with stage 1-4 CKD or unspecified CKD        |
| 113    | Hypertensive heart and CKD with heart failure, stage 1-4 CKD  |
| E11.22 | Type 2 Diabetes Mellitus with Diabetic Chronic Kidney Disease |
| E10.22 | Type 1 Diabetes Mellitus with Diabetic Chronic Kidney Disease |

You must use another code from the below chart to document the stage of CKD.

| HCC | ICD-10 Code | Stage        | GFR Value                                |
|-----|-------------|--------------|--|
| N/A | N18.1       | 1            | 90ml or higher                           |
| N/A | N18.2       | 2 (mild)     | 89-60ml                                  |
| 138 | N18.30      | 3 (moderate) | 30-59ml                                  |
| 138 | N18.31      | 3a           | 45-59ml                                  |
| 138 | N18.32      | 3b           | 30-44ml                                  |
| 137 | N18.4       | 4 (severe)   | 15-29ml                                  |
| 136 | N18.5       | 5            | <15ml                                    |
| 136 | N18.6       | ESRD         | Requiring chronic dialysis or transplant |

### **DOCUMENT MUST INCLUDE THE STAGE; UNSPECIFIED = NO HCC**

#### **Document Considerations**

- Clearly state relationship "due to/caused by/ associated with"
- Document current status and concise treatment plan
- Transplant status and any transplant complications

| НСС | Туре  | Description                               |
|-----|-------|---|
| 134 | Z99.2 | Dialysis status or presence of AV fistula |

## HCC Focus | Depressive Disorders

| F32.0 MDD, single episode, mild F32.1 MDD, single episode, moderate F32.2 MDD, single episode, severe without psychotic features F32.3 MDD, single episode, severe with psychotic features F32.4 MDD, single episode, in partial remission F32.5 MDD, single episode, in full remission F32.A Typical "run of the mill depression" DOES NOT carry weight  HCC MDD Recurrent Episode F33.0 MDD, recurrent, mild F33.1 MDD, recurrent, moderate F33.2 MDD, recurrent, severe without psychotic features |        |
|---|--------|
| F32.2 MDD, single episode, severe without psychotic features F32.3 MDD, single episode, severe with psychotic features F32.4 MDD, single episode, in partial remission F32.5 MDD, single episode, in full remission F32.A Typical "run of the mill depression" DOES NOT carry weight  HCC MDD Recurrent Episode F33.0 MDD, recurrent, mild F33.1 MDD, recurrent, moderate F33.2 MDD, recurrent, severe without psychotic features   |        |
| F32.3 MDD, single episode, severe with psychotic features F32.4 MDD, single episode, in partial remission F32.5 MDD, single episode, in full remission F32.A Typical "run of the mill depression" DOES NOT carry weight  HCC MDD Recurrent Episode F33.0 MDD, recurrent, mild F33.1 MDD, recurrent, moderate F33.2 MDD, recurrent, severe without psychotic features  |        |
| F32.4 MDD, single episode, in partial remission F32.5 MDD, single episode, in full remission F32.A Typical "run of the mill depression" DOES NOT carry weight  HCC MDD Recurrent Episode F33.0 MDD, recurrent, mild F33.1 MDD, recurrent, moderate F33.2 MDD, recurrent, severe without psychotic features  |        |
| F32.5 MDD, single episode, in full remission F32.A Typical "run of the mill depression" DOES NOT carry weight  HCC MDD Recurrent Episode F33.0 MDD, recurrent, mild F33.1 MDD, recurrent, moderate F33.2 MDD, recurrent, severe without psychotic features  |        |
| F32.A Typical "run of the mill depression" DOES NOT carry weight  HCC MDD Recurrent Episode  F33.0 MDD, recurrent, mild  F33.1 MDD, recurrent, moderate  F33.2 MDD, recurrent, severe without psychotic features  |        |
| HCC MDD Recurrent Episode  F33.0 MDD, recurrent, mild  F33.1 MDD, recurrent, moderate  F33.2 MDD, recurrent, severe without psychotic features  |        |
| F33.0 MDD, recurrent, mild F33.1 MDD, recurrent, moderate F33.2 MDD, recurrent, severe without psychotic features   |        |
| F33.0 MDD, recurrent, mild F33.1 MDD, recurrent, moderate F33.2 MDD, recurrent, severe without psychotic features   |        |
| F33.1 MDD, recurrent, moderate F33.2 MDD, recurrent, severe without psychotic features  |        |
| F33.2 MDD, recurrent, severe without psychotic features   |        |
|   |        |
| F22.2 MDD requiremt, accord with payabatic features   |        |
| F33.3 MDD, recurrent, severe with psychotic features  |        |
| F33.4 MDD, recurrent, in remission, unspecified   |        |
| F33.41 MDD, recurrent, in partial remission   |        |
| F33.42 MDD, recurrent, in full remission  |        |
| F33.8 Other recurrent depressive disorders  |        |
| F33.9 MDD, recurrent, unspecified   |        |
| HCC Bipolar Disorder with Depression  |        |
| F31.3 Bipolar disorder, current episode depressed, mild or moderate, severity, unspe  | cified |
| F31.31 Bipolar disorder, current episode depressed, mild  |        |
| F31.32 Bipolar disorder, current episode depressed, moderate  |        |
| F31.4 Bipolar disorder, current episode depressed, severe without psychotic features  |        |
| F31.5 Bipolar disorder, current episode depressed, severe with psychotic features   | 3      |

### ASYMPTOMATIC PATIENTS ARE CONSIDERED "IN REMISSION", RATHER THAN "HISTORY OF"

#### **Document Tips**

- Make sure you include all descriptors in the diagnosis as well as in your final impression (with NO abbreviations).
- Document episodes of care, efficacy of treatment.
- Describe signs & symptoms, noting the treatment plan and medication when applicable.

# HCC Focus | Peripheral Vascular Disease

| ICD-10 Code | Diagnosis  | Consideration  |  |
|-------------|--|--|--|
| 170.0       | Atherosclerosis of aorta                               | Classified by type of vessel, site & severity  |  |
| Z99.81      | Atherosclerosis of renal artery                        | Classified by type of vessel, site & severity  |  |
| 170.1       | Atherosclerosis of native arteries of the extremities: | Hierarchy from most severe to least severe is: <ul> <li>Gangrene, with tissue necrosis</li> <li>Ulceration, with non-healing wound</li> <li>Rest Pain, with chronic ischemia</li> <li>Intermittent Claudication with Ischemia upon exertion</li> </ul> |  |
| 171.2       | Thoracic aortic aneurysm, without rupture              |  |  |
| 171.4       | Abdominal aortic aneurysm, without rupture             |  |  |
| 171.9       | Aortic Aneurysm of unspecified site, without rupture   |  |  |
| 172.2       | Aneurysm of renal artery                               |  |  |
| 173.0       | Raynaud's syndrome                                     |  |  |
| 173.9       | Peripheral vascular disease                            |  |  |
| 177.1       | Structure of artery (aortic tortuosity)                |  |  |
| 177.819819  | Aortic ectasia   |  |  |

| <b>Document Considerations</b>   | НСС     | Diabetes with PVD                                     |
|--|---------|---|
| Document all abnormal findings in ROS and on exam.   | 1E10.51 | Type 1 DM with peripheral angiopathy without gangrene |
| • Identify all associated- i.e., ulceration, gangrene, cellulitis, amputation status.                | E10.52  | Type 1 DM with peripheral angiopathy with gangrene    |
| <ul> <li>"Wound" and "ulcer" are not synonymous;<br/>avoid using "wound" when documenting</li> </ul> | E11.51  | Type 2 DM with peripheral angiopathy without gangrene |
| skin ulcers Code ulcers to the highest specificity (location, severity, laterality).                 | E11.52  | Type 2 DM with peripheral angiopathy with             |

### **Impact of Specific Coding:**

| ICD-10             | Description-Partial Coding   | HCC Weight               |                    | pressure Chronic  |
|--------------------|--|--------------------------|--------------------|---|
| 173.9              | Peripheral Vascular Disease, unspecified<br>Medicare expects patient to cost:                              | 0.288<br><b>\$10,838</b> | <b>Ulce</b><br>L97 | er Codes:  4th Character – Site  5th Character – Laterality |
|                    | Description-Coding to Highest Specificity  |                          |                    | 6th Character - Severity                                    |
| 170.243<br>L97.321 | Atherosclerosis of native arteries of left leg<br>with ulceration of angle limited to<br>breakdown of skin | 1.488                    |                    |   |
|                    | Medicare expects patient to cost:  | \$22,358                 |                    |   |

# HCC Focus |

## **Commonly Missed HCC Diagnoses**

| HCC | Diagnosis  | ICD-10              | Code Code Description   |
|-----|--|---------------------|---|
| 18  | Diabetes w/ 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                                |
| 19  | Diabetes without complications                                     | Z79.4               | Long-term (current) use of insulin  |
| 22  | Morbid Obesity   | E66.01<br>Z68.41-45 | DM w/ diabetic chronic kidney disease<br>DMI 40-44.9, 45-49.9, 50-59.9, 60-69.9,<br>70 or greater |
| 23  | Other Endocrine & Metabolic disorders                              | E21.0               | Hyperparathyroidism   |
| 40  | Rheumatoid Arthritis and Inflammatory<br>Connective Tissue Disease | M06.9               | Rheumatoid arthritis  |
| 48  | Coagulation Defects and Other Specified<br>Hematological Disorders | D68.51<br>D69.6     | Factor V Leiden mutation Thrombocytopenia   |
| 59  | Major Depressive, Bipolar, and Paranoid<br>Disorders               | F32.0<br>F32.1      | Major depressive disorder, mild Major depressive disorder, moderate                               |
| 79  | Seizure Disorders and Convulsions                                  | G40.909             | Seizure disorder  |
| 85  | Congestive Heart Failure   | l11.0               | Hypertensive heart disease with heart failure   |
|     |  | 127.20              | Pulmonary hypertension  |
|     |  | 150.22              | Chronic Systolic (congestive) heart failure   |
|     |  | I150.9              | Heart failure, unspecified  |
| 96  | Specified Heart Arrhythmias  | 147.1               | Supraventricular tachycardia  |
|     |  | 148.2               | Chronic atrial fibrillation   |
| 103 | Hemiplegia/Hemiparesis   | 169.351             | Hemiplegia/hemiparesis following cerebral infarction affecting R dominant side                    |
| 108 | Vascular Disease   | 171.4               | Abdominal aortic aneurysm, without rupture  |
|     |  | 173.9               | Peripheral vascular disease   |

# HCC Focus |

## Commonly Missed HCC Diagnoses, continued

| HCC | Diagnosis                                | ICD-10                                 | Code Code Description                                      |
|-----|--|--|--|
| 111 | Chronic Obstructive<br>Pulmonary Disease | J44.9                                  | Chronic obstructive pulmonary disease                      |
| 134 | Dialysis Status                          | Z99.2                                  | Dependence on renal dialysis                               |
| 136 | Chronic Kidney Disease, Stage 5          | N18.6<br>N18.5                         | End stage renal disease<br>Chronic kidney disease, stage 5 |
| 137 | Chronic Kidney Disease, Stage 4          | N18.4                                  | Chronic kidney disease, stage 4 (severe)                   |
| 138 | Chronic Kidney Disease, Stage 3          | N18.31<br>(modera<br>N18.32<br>(modera | Chronic Kidney disease, stage 3b                           |

# HCC Focus | **Z Codes**

The following are Z Codes that carry HCC risk score weight that should be captured annually when applicable.

| Z Code  | Status, Amputee Description | Z Code                       | Status, Ostomy Description                       |
|---|-----------------------------|------------------------------|--|
| Z89.41  | Great toe                   | Z93.0                        | Tracheostomy status                              |
| Z89.42  | Other toe                   | Z93.1                        | Gastrostomy status                               |
| Z89.43  | Foot                        | Z93.2                        | lleostomy status                                 |
| Z89.44  | Ankle                       | Z93.4                        | Other artificial openings of the GI tract status |
| Z89.51  | Leg below knee              | Z93.50                       | Unspecified cystostomy status                    |
| Z89.61  | Leg above knee              | Z93.51                       | Cutaneous-vesicostomy status                     |
| **Note: Add 6th abaracter for laterality)   | Z93.52                      | Appendico-vesicostomy status |  |
| **Note: Add 6th character for laterality} 1= right; 2 = left (i.e., Right foot = Z89.431) Unspecified (Z89.9) carries no HCC weight |                             | Z93.59                       | Other cystostomy status                          |
|   |                             | Z93.6                        | Other artificial opening of urinary tract status |
|   |                             | Z93.8                        | Other artificial opening status                  |

| Z Code | Status, Transplant Description    |
|--------|-----------------------------------|
| Z94.1  | Heart transplant status           |
| Z94.2  | Lung transplant status            |
| Z94.3  | Heart and lungs transplant status |
| Z93.4  | Liver transplant status           |
| Z94.81 | Bone marrow transplant status     |
| Z94.82 | Intestine transplant status       |
| Z94.83 | Pancreas transplant status        |
| Z94.84 | Stem cells transplant status      |

| Z Code | Renal Dialysis Description        |
|--------|-----------------------------------|
| Z99.2  | Dependence on renal dialysis      |
| Z91.15 | Noncompliance with renal dialysis |

| Notes |
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