DELAWARE VALLEY ACO
an accountable care organization

PRMS
Professional Revenue Management Services

HCC PULMONOLOGY AND SLEEP SESSION

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

Pulmonology HCC Specifics

HCC Pulmonology Categories

- HCC 9: Lung and Other Severe Cancers
- HCC 82: Respirator Dependence/Tracheostomy Status
- HCC 83: Respiratory Arrest
- HCC 84: Cardio-Respiratory Failure and Shock
- HCC 110: Cystic Fibrosis
- HCC 111: Chronic Obstructive Pulmonary Disease
- HCC 112: Fibrosis of Lung and Other Chronic Lung Disorders
- HCC 114: Aspirations and Specified Bacterial Pneumonia
- HCC 115: Pneumococcal Pneumonia, Empyema, Lung Disorders

Chronic Obstructive Pulmonary Disease

- Documentation
  - Ensure that all aspects of COPD are tracked in the medical record
  - Note:
    - Acute Bronchitis does not risk adjust
    - Chronic Bronchitis does risk adjust

- The severity needs to be documented as one of the following:
  - Mild
  - Moderate
  - Severe

- According to ICD-10-CM, COPD can occur with or without Acute or Chronic Respiratory Failure
  - Respiratory Failure needs to be documented separately

Chronic Obstructive Pulmonary Disease (cont)

- Coding
  - If a patient has a lower respiratory infection and an exacerbation of COPD, use:
    - J44.0: Chronic Obstructive Pulmonary Disease with Acute Lower Respiratory Infection and
    - J44.1: Chronic Obstructive Pulmonary Disease with Acute Exacerbation and then report/code for the bronchitis or pneumonia
  - If a patient does not have COPD with an infection or exacerbation, use:
    - J44.9: Chronic Obstructive Pulmonary Disease, unspecified

Respiratory Failure

- Coding
  - Coding respiratory failure to the highest specificity includes:
    - Identifying acute respiratory failure vs chronic respiratory failure
    - Specifying whether hypoxia or hypercapnia are present
    - Example- J96.11: Chronic respiratory failure with hypoxia
  - Coding tips
    - Chronic respiratory failure is very common in patients with severe COPD and other chronic lung diseases such as cystic fibrosis and pulmonary fibrosis. It is important to code any other conditions that apply in addition to chronic respiratory failure.
    - For acute respiratory failure due to COVID-19, assign code U07.1, and code J96.0-, Acute respiratory failure.

COVID-19

- Coding
  - The diagnosis U07.1 for a confirmed case of COVID-19 is not a part of the risk adjustment model

  - It is important to code any associated manifestations due to COVID:
    - HCC Examples include:
      - Acute Respiratory Distress Syndrome
      - Acute Respiratory Failure
      - Pneumonia
      - Sepsis
      - Transplant Complications

HCC Coding Example: The Impact of Specified Coding

Example: A 67 year old male presents for a follow up visit for Pneumonia. The patient also has Chronic Respiratory Failure due to Chronic Obstructive Pulmonary Disease and is considered Morbidly Obese.

ICD-10 Code	Description- Partial Coding	HCC Weight
J18.9	Pneumonia, unspecified	0.00
J44.9	Chronic Obstructive Pulmonary Disease, unspecified	0.335
E66.9	Obesity, unspecified	0.00
Not coded	Chronic Respiratory Failure	0.00
	Demographic Risk Factor (Community, Non Dual, Aged):	**0.308**
	Total Score:	**0.643**
	PMPM Payment:	**$514.40**
	Medicare expects this patient to cost:	**$6,172.80**
ICD-10 Code	**Description- Coding Highest Specificity**	**HCC Weight**
J18.1	Lobar Pneumonia	0.130
J44.0	Chronic Obstructive Pulmonary Disease w/ Acute Lower Respiratory Infection	0.335
J96.10	Chronic Respiratory Failure	0.282
E66.01, Z68.39	Morbid obesity due to excess calories with a BMI of 39.0-39.9	0.250
N/A	Interaction between Cardiorespiratory Failure & COPD	0.363
	Demographic Risk Factor (Community, Non Dual, Aged):	**0.308**
	Total Score:	**1.674**
	PMPM Payment:	**$1339.20**
	Medicare expects this patient to cost:	**$16,070.40**

HCC Coding Example: The Impact of Specified Coding

Example: A 72 year old female presents for a follow up visit for Sarcoidosis of the Lung. The patient has chronic conditions including Congestive Heart Failure and Chronic Obstructive Pulmonary Disease.

ICD-10 Code	Description- Partial Coding	HCC Weight
D86.9	Sarcoidosis unspecified	0.00
	Demographic Risk Factor (Community, Non Dual, Aged):	**0.386**
	Total Score:	**0.386**
	PMPM Payment:	**$308.80**
	Medicare expects this patient to cost:	**$3,705.60**
ICD-10 Code	**Description- Coding Highest Specificity**	**HCC Weight**
D86.0	Sarcoidosis of Lung	0.219
J44.9	Chronic Obstructive Pulmonary Disease	0.335
I50.22	Chronic Systolic (Congestive) Heart Failure	0.331
N/A	Interaction between CHF and COPD	0.155
	Demographic Risk Factor (Community, Non Dual, Aged):	**0.386**
	Total Score:	**1.426**
	PMPM Payment:	**$1,140.80**
	Medicare expects this patient to cost:	**$13,689.60**

Common Pulmonology HCCs and ICD-10 Codes Summary			
Category	**ICD-10 Diagnosis Code**	**Code Description**	**HCC Weight**
HCC 9- Lung and Other Severe Cancers	C34.90	Malignant Neoplasm of Lung	1.024
HCC 22- Morbid Obesity	E66.2	Morbid Obesity with Alveolar Hypoventilation	0.250
HCC 82- Respirator Dependence/Tracheostomy Status	Z93.0	Tracheostomy Status	1.00
HCC 84- Cardio-Respiratory Failure and Shock	J96.10	Chronic Respiratory Failure	0.282
HCC 85- Congestive Heart Failure	I27.0	Primary Pulmonary Hypertension	0.331
	I27.20	Pulmonary Hypertension	0.331
HCC 110- Cystic Fibrosis	E84.0	Cystic Fibrosis with Pulmonary Manifestations	0.510
HCC 111- Chronic Obstructive Pulmonary Disease	J42	Chronic Bronchitis	0.335
	J43.9	Emphysema	0.335
	J44.0	Chronic obstructive pulmonary disease with (acute) lower respiratory infection	0.335
	J44.1	Chronic obstructive pulmonary disease with (acute) exacerbation	0.335
	J44.9	Chronic obstructive pulmonary disease, unspecified	0.335
HCC 112- Fibrosis of Lung and Other Chronic Lung Disorders	D86.0	Sarcoidosis of lung	0.219
	J47.9	Bronchiectasis, uncomplicated	0.219
	J84.10	Pulmonary fibrosis	0.219
	J84.9	Interstitial Lung Disease	0.219
HCC 114- Aspiration and Specified Bacterial Pneumonias	J15.20	Pneumonia due to Staphylococcus	0.517
HCC 115- Pneumococcal Pneumonia, Empyema, Lung Abscess	J13	Pneumococcal Pneumonia	0.13
	J85.2	Abscess of Lung without Pneumonia	0.13
HCC186- Major Organ Transplant or Replacement Status	Z94.2	Lung Transplant Status	0.832

Sleep
HCC Specifics

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

HCC Coding Example: The Impact of Specified Coding

Example: A 70 year old male presents with sleep apnea and a BMI of 39.

ICD-10 Code	Description- Unspecified Coding	HCC Weight
G47.33	Obstructive sleep apnea	0.00
Z68.39	BMI of 39.0-39.9	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
E66.01, Z68.39	Morbid Obesity due to excess calories with a BMI of 39.0-39.9	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**

References

American Medical Association, (2020). ICD-10-CM 2021: 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 2021.* https://www.cms.gov/files/document/2021-coding-guidelines.pdf . Accessed November 13, 2020.

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

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