Diabetes Coding to the Highest Specificity To Support Risk Adjustment Capture

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Disclaimer: *This presentation is offered as guidance to NEPHO providers and office administration. If you are a BILH employed practice please follow up with your practice Leadership on guidance reviewed during this presentation.*

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Topics

- Five Main ICD-10 Categories of Diabetes
- HCCs
- Diabetes Type 2
  - Linkages and Relationships For Diabetes Complications
  - Steps To Take To Capture Accurate Diabetes Coding
- Reference materials
- Documentation Examples
- Resources

Five ICD-10 Categories of Diabetes

- E08: Diabetes mellitus due to underlying condition
- E09: Drug or chemical induced diabetes mellitus
- E10: Type 1 Diabetes mellitus
- E11: Type 2 Diabetes mellitus
- E13: Other specified diabetes mellitus

Diabetes Diagnosis

- Diabetes mellitus is a hierarchical condition category (HCC)
  - The diabetes mellitus codes are combination codes that include:
    1. The type of diabetes mellitus
    2. The body system(s) affected
    3. The complications affecting the body system(s)

When coding diabetes mellitus, you should use as many codes from categories E08.-E13. as necessary to describe **all the complications and associated conditions of the disease**.

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HCCs (examples)

Examples	ICD-10	HCC[1]	HCC weight[2]	Notes
Type 2 diabetes (T2D)				
T2D without complications	**E11.9**	**19**	**0.104**	
T2D with hyperglycemia	E11.65	18	0.318	Document as specifically as possible.
T2D with hypoglycemia, no coma	E11.649	18	0.318	
T2D with mild retinopathy	E11.329	18	0.318	
T2D with diabetic chronic kidney disease (CKD)	E11.22	18	0.318	
T2D with polyneuropathy	E11.42	18	0.3168	
Long term (current) insulin use	Z79.4	19	0.104	

HCC (examples)

	ICD-10 code	HCC	HCC weight
CKD, stage 5	N18.5	136	0.237
Type 2 diabetes, uncomplicated	E11.9	19	0.104
BMI 42	Z68.41	22	0.273
Total diagnostic risk score			0.614
CKD, stage 5	N18.5	136	0.237
Type 2 diabetes with diabetic nephropathy	E11.21	18	0.318
BMI 42	Z68.41	22	0.273
Total diagnostic risk score			0.828

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Risk Capture Review

- Risk adjustment allows Medicare to “level the playing field” so plans that cover patients with more severe, complex, and costly conditions receive a larger capitated payment than plans with less costly patients. A plan must cover all the costs for its patients' care during the year with the funds received. If costs exceed the payment, the plan loses money. If costs are less than the payment, the plan keeps the surplus.
- Example: A 75-year-old man who is not eligible for Medicaid and lives at home. He has diabetes with neuropathy (code E11.21 and HCC 18), chronic obstructive pulmonary disease (code J44.9 and HCC 111), and a history of residual stroke-related hemiparesis (code I69.359 and HCC 103). His demographics would carry a weight of 0.437, while his clinical conditions add weights of 0.368, 0.346, and 0.581. That adds up to 1.732, which multiplied by a base rate of $10,000 equals a payment of **$17,320**.
- RAF calculations are derived from claims submitted for physician offices and hospital inpatient and outpatient departments. Other sites, such as free-standing ambulatory surgery centers, skilled nursing facilities, and hospice and home health care, are not included.

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Top HCCs – Diabetes #3

- The CMS risk adjustment model includes 79 HCC categories for chronic illnesses, and here are the most common:
  - Major depressive and bipolar disorders
  - Asthma and pulmonary disease
  - **Diabetes**
  - Vascular disease
  - Specified heart arrhythmias
  - Congestive heart failure
  - Ischemic heart disease
  - Rheumatoid arthritis
  - Colorectal, breast, kidney cancer
  - Ischemic or unspecified stroke
  - Angina
  - Inflammatory connective tissue disease

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Linking Manifestations & Complications

To link a manifestation/complication to the diabetes mellitus, the documentation must clearly show there is a causal effect of the disease to the associated manifestation. One diagnosis code MUST be clearly documented in the medical record as being directly related to the other.

Examples:

- Diabetic nephropathy
- Peripheral neuropathy due to DM (Etiology of neuropathy is DM)
- Chronic kidney disease (CKD) due to diabetes mellitus (DM)
- Peripheral vascular disease (PVD) due to DM
- Diabetic retinopathy
- Peripheral artery disease (PAD) due to DM
- Diabetic cataract
- Diabetic macular edema

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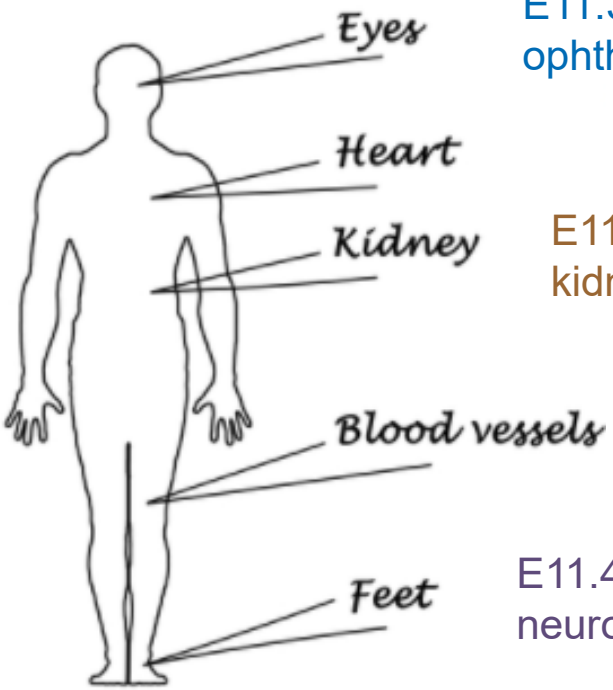
Diabetes Complications



E11.3 DM2 mellitus with ophthalmic complications

E11.2 DM2 with kidney complication

E11.5 TDM2 with circulatory complications

E11.4 DM2 with neurologic complications

Coding Diabetes to the Highest Specificity

- At first glance, diabetes mellitus is one of the most complicated chronic conditions to code.
- But, it also provides an opportunity to show which patients are sicker and are at a higher risk.

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Diabetes Coding Steps 1 to 5

or 6

- Step 1: Choose the type of diabetes
  - Type 1 or Type 2
- Step 2: Choose the complication
  - Example: Ophthalmic
- Step 3: Choose the subset of the complication
  - Example: Non-proliferative diabetic retinopathy
- Step 4: Choose the additional character, if needed
  - Example: with or without macular edema
- Step 5: Add the additional diagnoses, where applicable
  - Example: Foot ulcer, CKD stage
- Step 6: Z79.4, Long term (current) use of insulin

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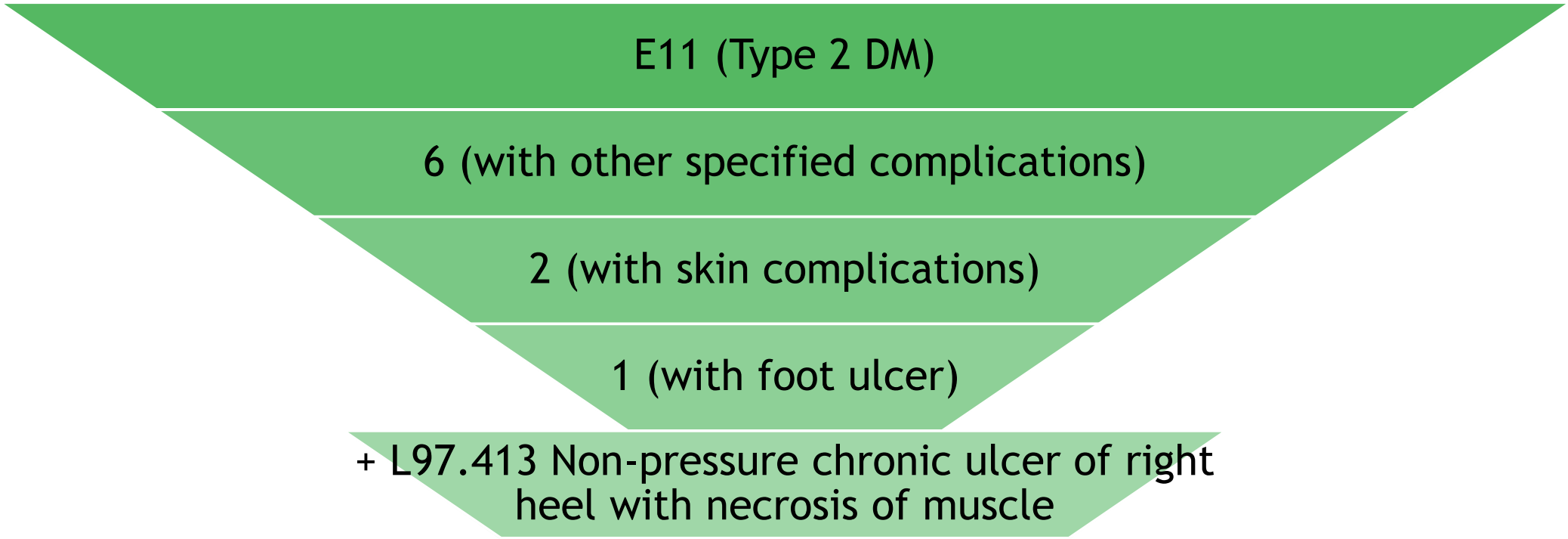
E11.621 Type 2 DM with foot ulcer



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E11.621 Type 2 DM with foot ulcer

E11	• Type 2 DM
6	• with other specified complications
2	• with skin complications
1	• with foot ulcer
+	• L97.413 Non-pressure chronic ulcer of right heel with necrosis of muscle

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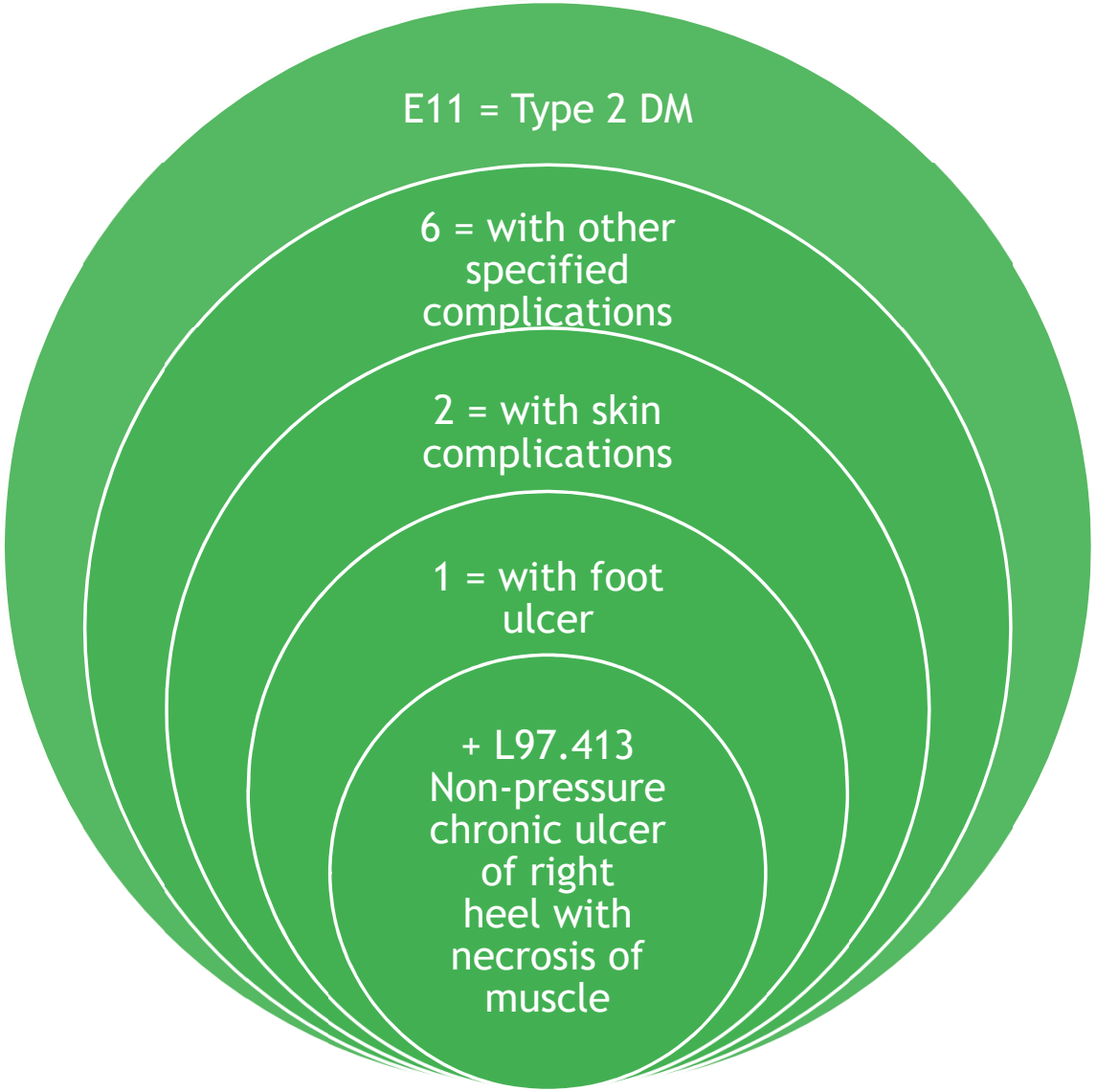
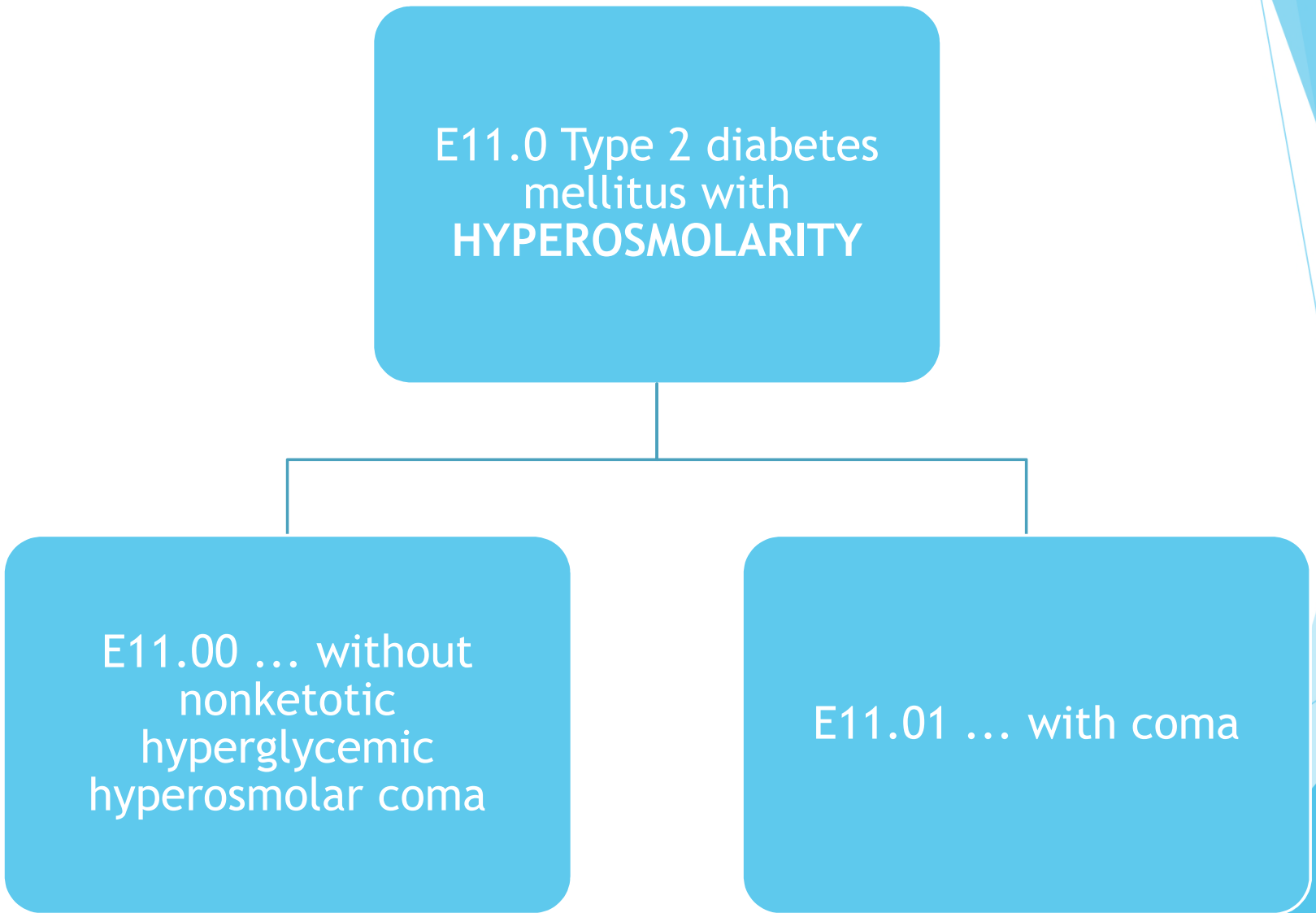
E11.621
Type 2 DM with foot ulcer



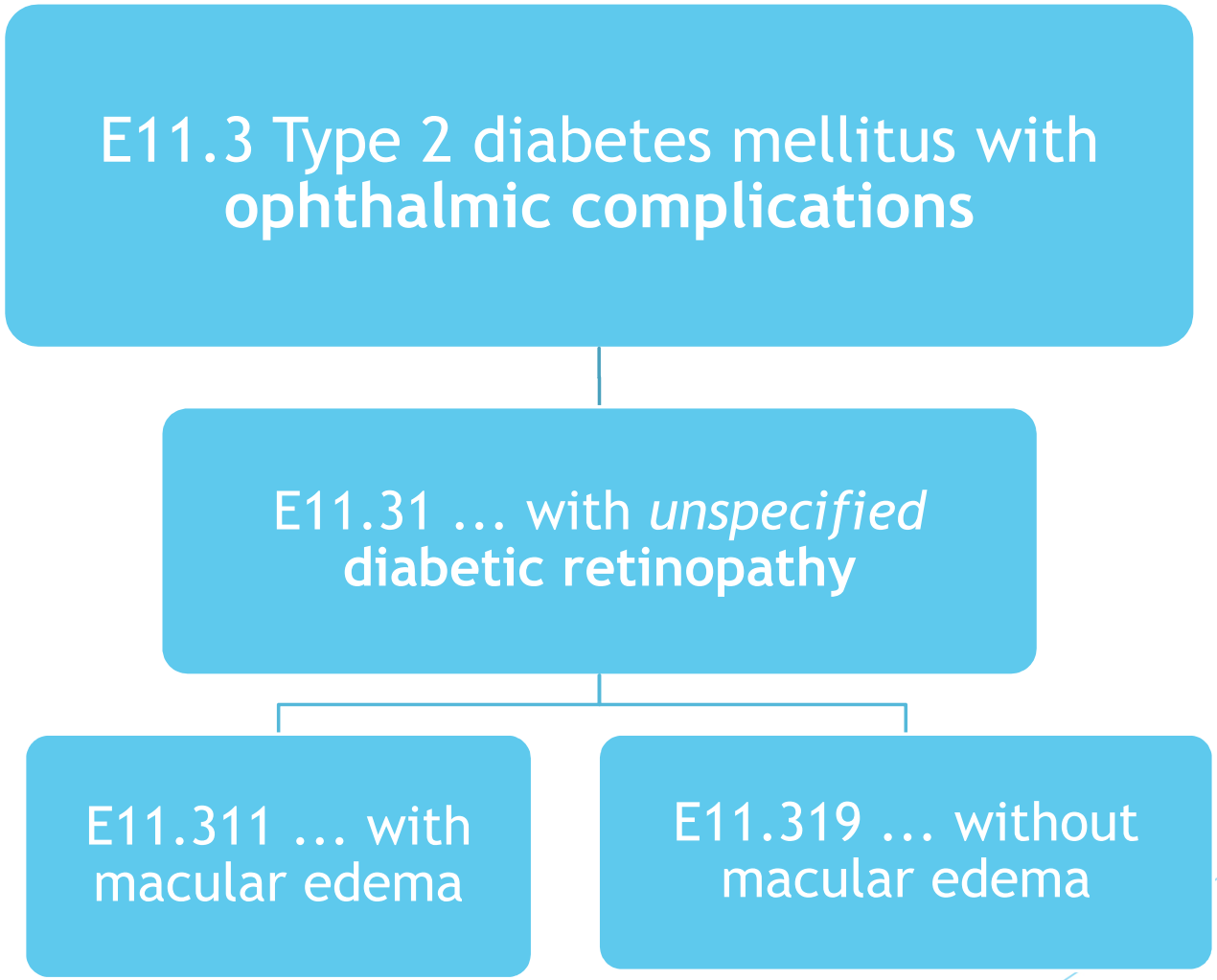

E11.0 Type 2 diabetes mellitus with HYPEROSMOLARITY
E11.00 ... without nonketotic hyperglycemic hyperosmolar coma
E11.01 ... with coma

E11.2 Type 2 diabetes mellitus with **KIDNEY COMPLICATIONS**

Add the additional diagnosis for CKD stage 1-5

- E11.21 ... with diabetic nephropathy ★
- E11.22 ... with diabetic chronic kidney disease ★
- E11.29 ... with other diabetic kidney complication

★ **= common complication seen in practice**



Add the 7th character to identify:

- 1 right eye
- 2 left eye
- 3 bilateral
- 9 unspecified eye

E11.3 Type 2 diabetes mellitus **with ophthalmic complications** (Continued)

E11.32 … with **mild** nonproliferative diabetic retinopathy

- E11.321 … with macular edema
- E11.329 … without macular edema

E11.33 … with **moderate** nonproliferative diabetic retinopathy

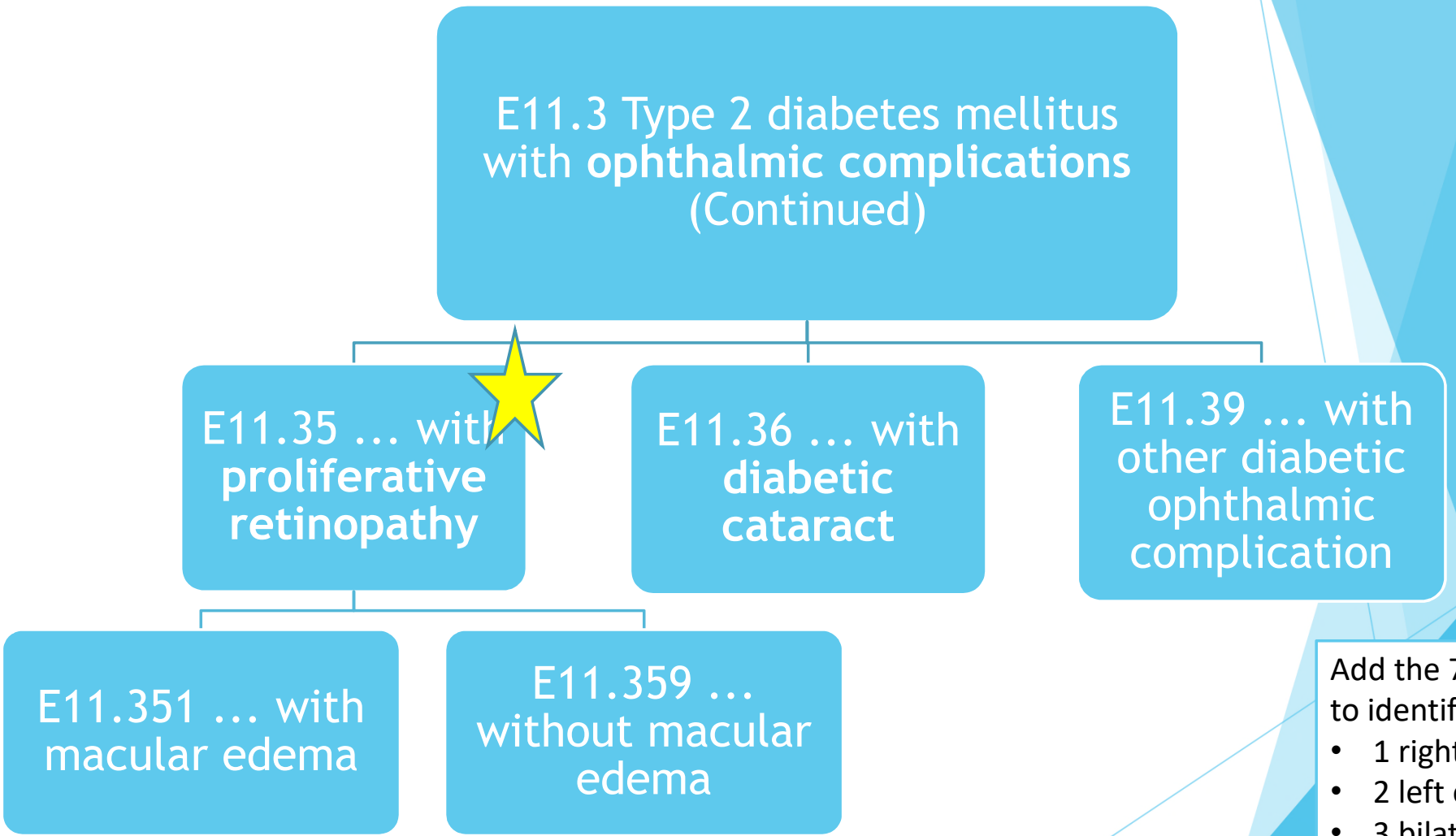
- E11.331 … with macular edema
- E11.339 … without macular edema

E11.34 … with **severe** nonproliferative diabetic retinopathy

- E11.341 … with macular edema
- E11.349 … without macular edema

Add the 7th character to identify:

- 1 right eye
- 2 left eye
- 3 bilateral
- 9 unspecified eye



Add the 7th character to identify:

- 1 right eye
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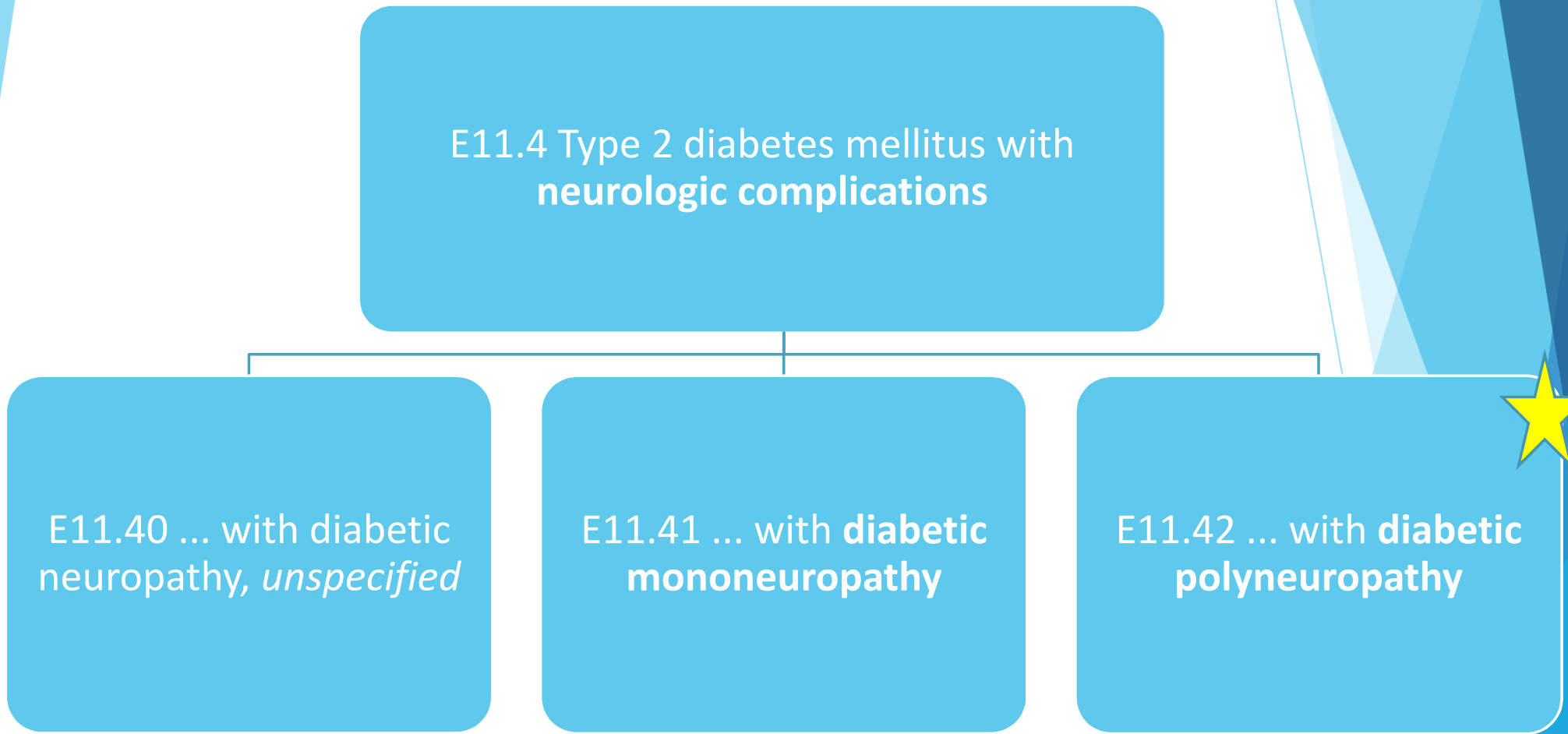
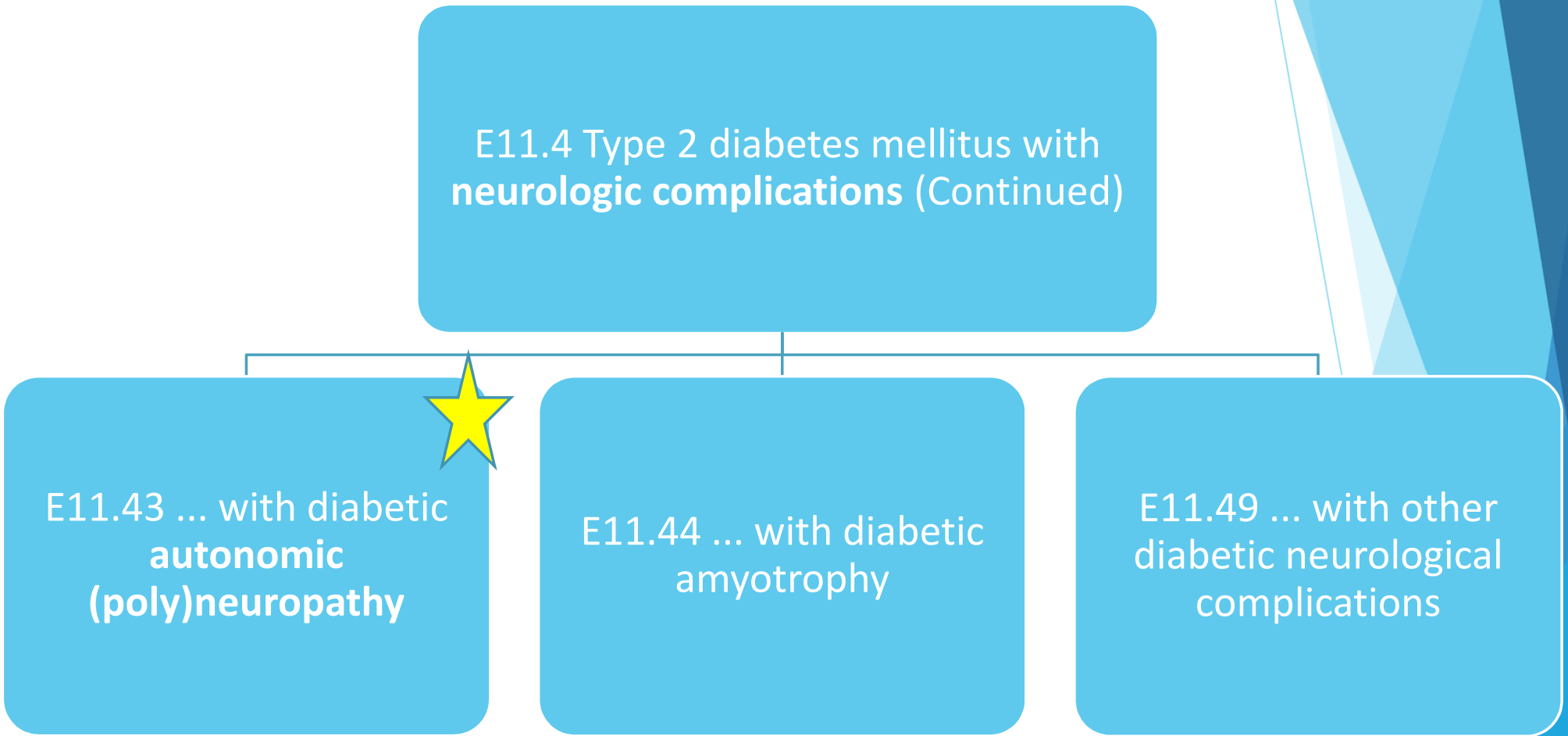
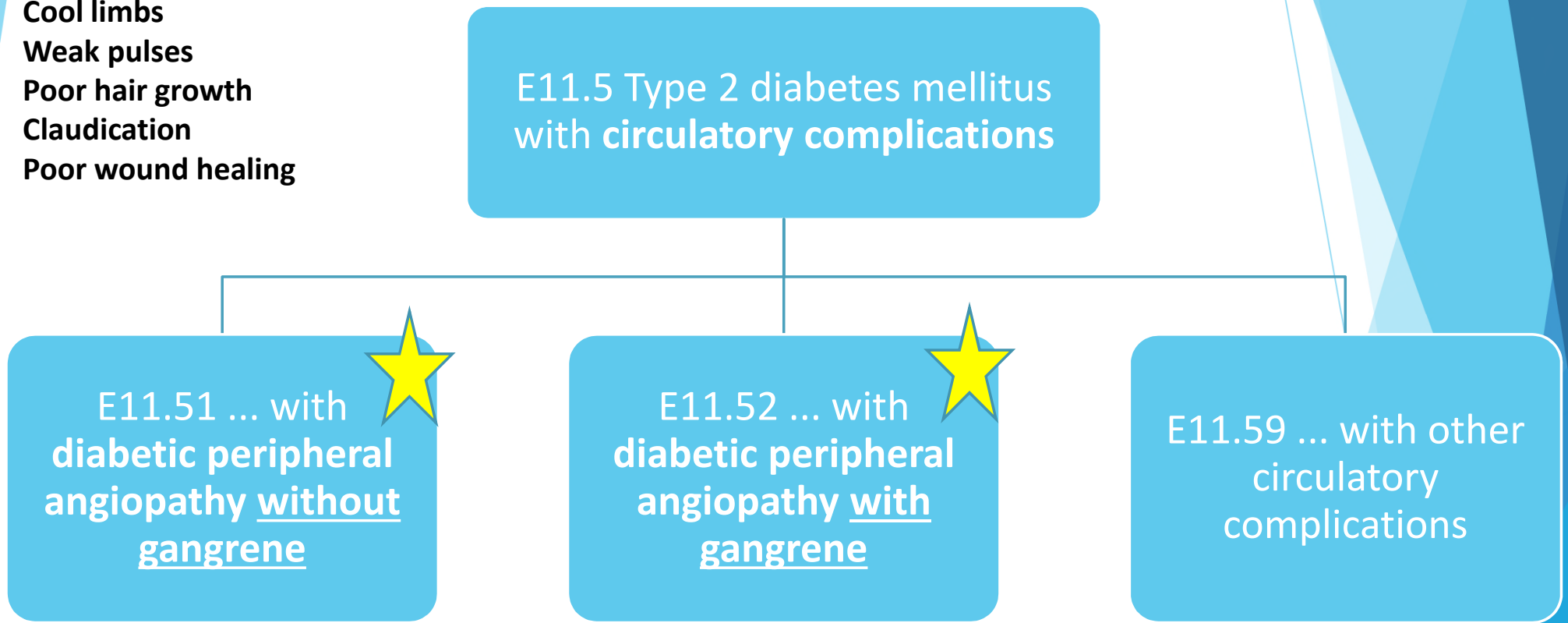
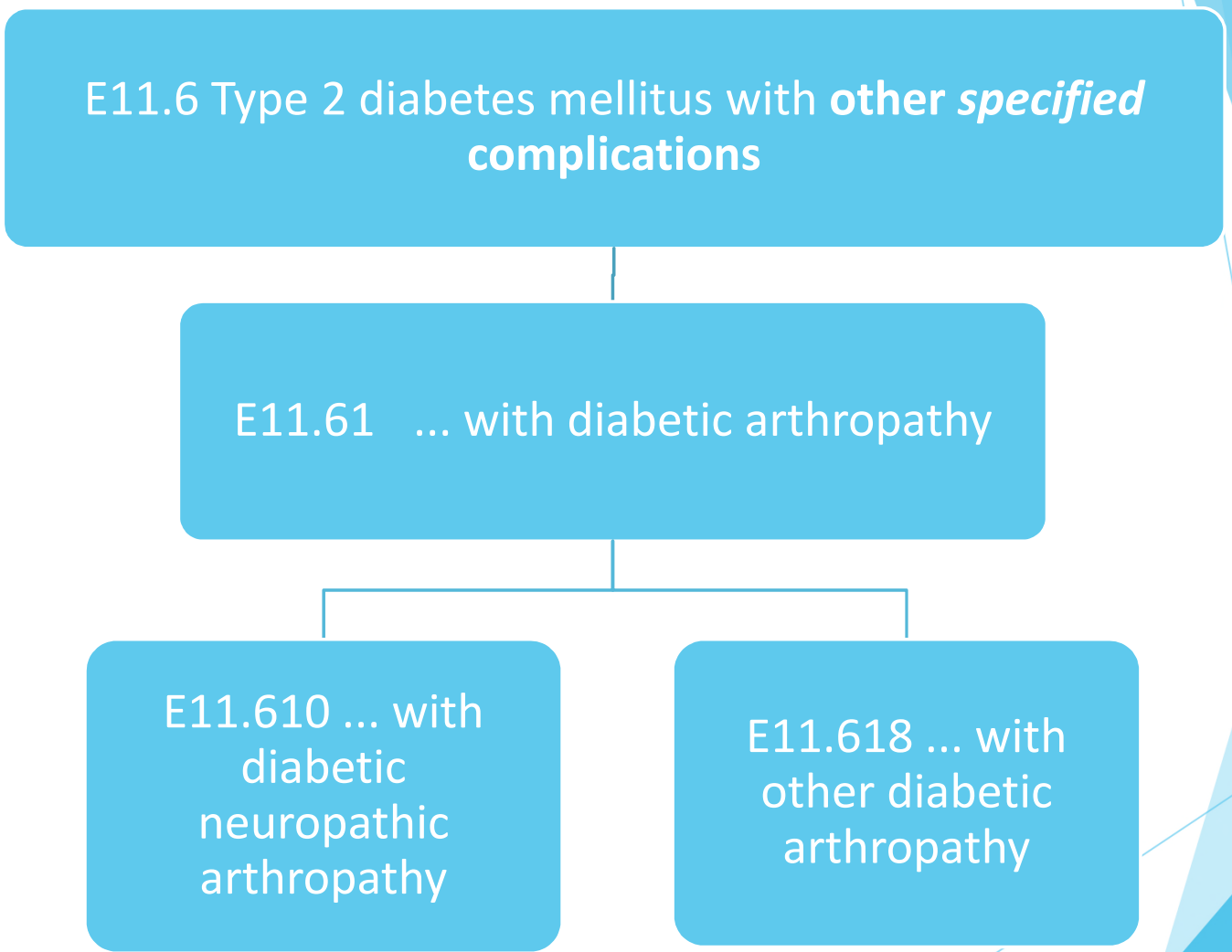

E11.4 Type 2 diabetes mellitus with **neurologic complications**
E11.40 … with diabetic neuropathy, *unspecified*
E11.41 … with **diabetic mononeuropathy**
E11.42 … with **diabetic polyneuropathy**

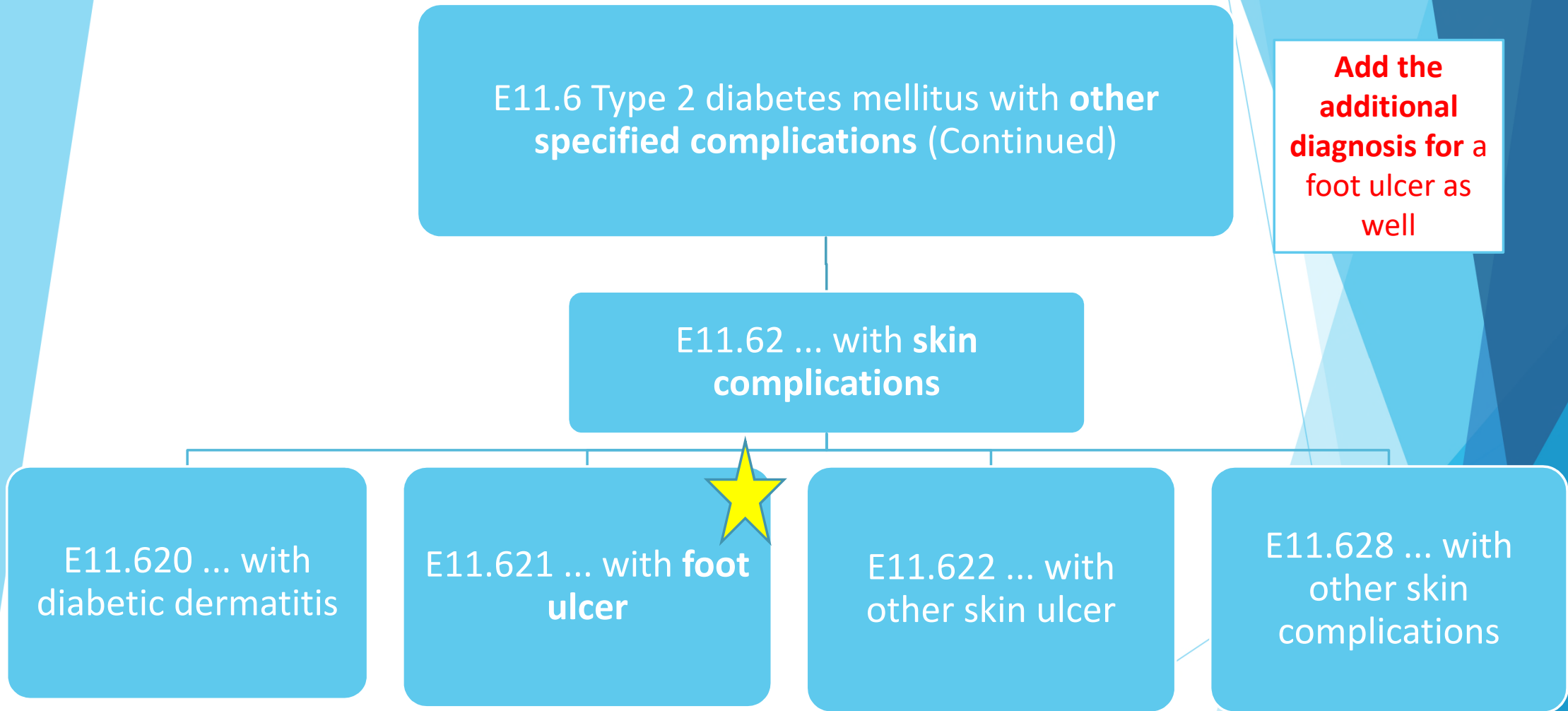

E11.4 Type 2 diabetes mellitus with **neurologic complications** (Continued)
E11.43 ... with diabetic **autonomic (poly)neuropathy**
E11.44 ... with diabetic amyotrophy
E11.49 ... with other diabetic neurological complications

E11.51 [Signs and Symptoms]

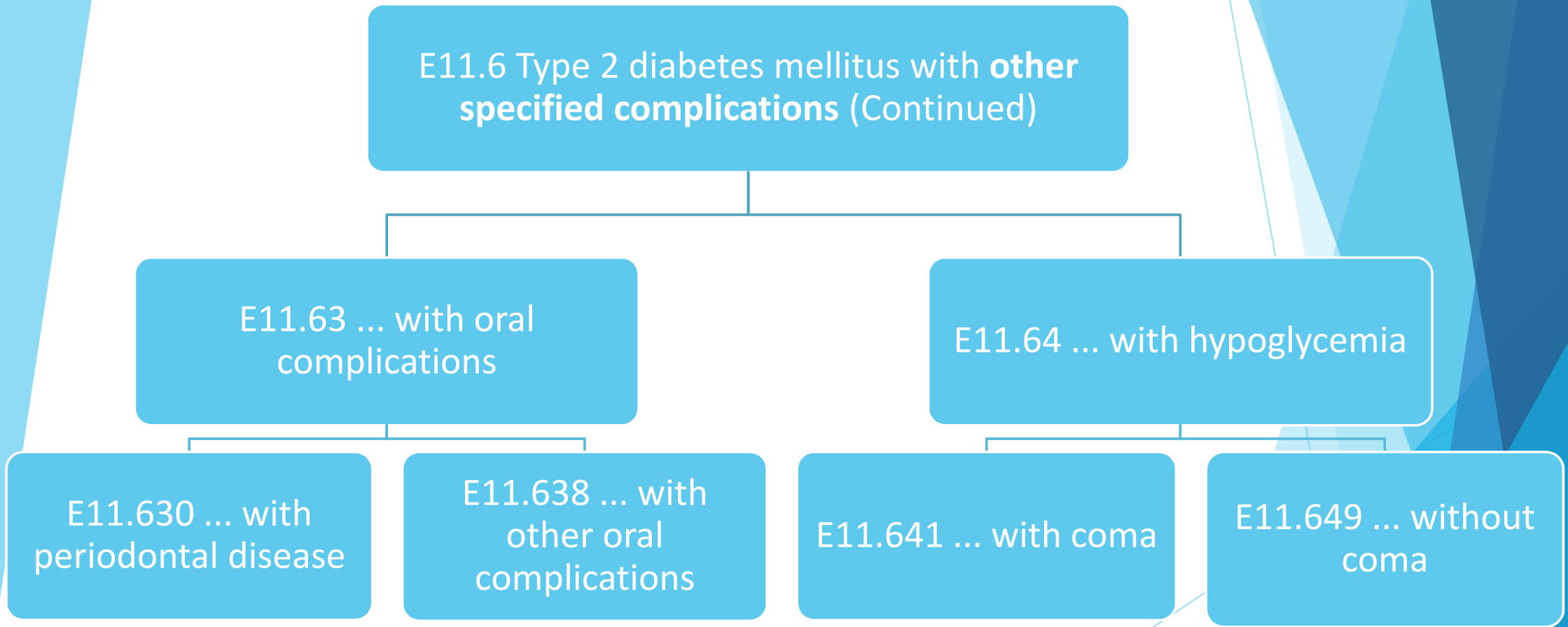
- **Cool limbs**
- **Weak pulses**
- **Poor hair growth**
- **Claudication**
- **Poor wound healing**

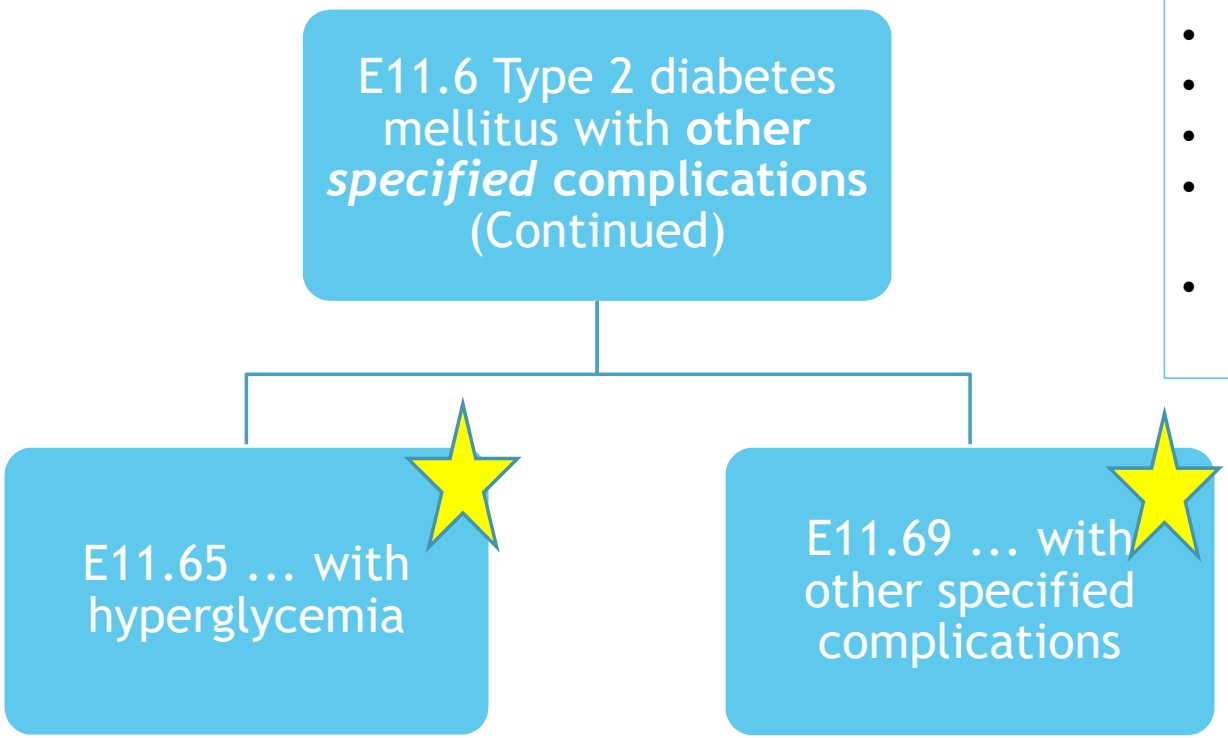



E11.6 Type 2 diabetes mellitus with **other *specified* complications**
E11.61 ... with diabetic arthropathy
E11.610 ... with diabetic neuropathic arthropathy
E11.618 ... with other diabetic arthropathy



Add the additional diagnosis for a foot ulcer as well


E11.6 Type 2 diabetes mellitus with **other specified complications** (Continued)
E11.63 ... with oral complications
E11.64 ... with hypoglycemia
E11.630 ... with periodontal disease
E11.638 ... with other oral complications
E11.641 ... with coma
E11.649 ... without coma



Diagnoses to consider for E11.69:

- Hypertension
- Obesity
- Hyperlipidemia
- Coronary Disease
- Hypoglycemia
- Muscular findings including Dupuytren's contracture
- Skin and nail findings including onychomycosis

Add the additional diagnosis for the specified condition

Example: A patient has type 2 DM with neuropathy, nephropathy, and right heel ulcer (with necrosis of muscle) complications. You'd use the following codes:

Type 2 DM with neuropathy	• E11.40 Type 2 DM with diabetic neuropathy, unspecified
Nephropathy	• E11.21 Type 2 DM with diabetic nephropathy
Right heel ulcer with necrosis of muscle	• E11.621 Type 2 DM with foot ulcer • L97.413 Non-pressure chronic ulcer of right heel with necrosis of muscle

Example: A patient is seen for diabetic chronic kidney disease, stage 3a. The patient has type 2 diabetes and takes insulin on a daily basis. The appropriate code assignments would be:

Type 2 DM with CKD	• E11.22, Type 2 diabetes mellitus with diabetic chronic kidney disease
CKD, 3a	• N18.31, Chronic kidney disease, stage 3a (moderate)
Insulin on a daily basis	• Z79.4, Long term (current) use of insulin

Resources

- https://providers.bcbsal.org/portal/documents/10226/306297/Correctly+Coding+Diabetes+Mellitus/cf5e3336-d1b7-4abb-aa17-b03b33e35d90?version=1.1
- https://blog.supercoder.com/coding-updates/sweet-tips-for-diabetes-coding/
- https://www.ncbi.nlm.nih.gov/books/NBK481900/
- https://www.ahima.org/
- https://www.hiacode.com/education/uncontrolled-diabetes-mellitus-in-icd-10/