Introduction to HCC Coding (Gastroenterology)

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Types of Coding

- **Evaluation and management (E&M) coding ***
  - E/M services represent a category of Current Procedural Terminology (CPT) codes used for billing purposes.
  - Most patient visits require an E/M code, and these are used to determine provider reimbursement.
  - There are different levels of E/M codes (99213, 99204, etc.) which are determined by the complexity (or length of time) of a patient visit and documentation requirements.
  - CPT codes are also used to bill for procedures.

- **HCC "complexity" coding**

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*Adapted from AAFP / Family Physician / Practice and Career / Getting Paid / Coding / Coding for E/M Services

What is HCC coding?

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- Hierarchical condition category (HCC) coding is a **risk-adjustment model** originally designed to estimate future health care costs for patients.

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Hierarchical condition category (HCC) coding

- HCC coding is based on patient complexity.
- Along with demographic factors (such as age and gender), insurance companies use HCC coding to assign patients a risk adjustment factor (RAF) score.
- HCC codes represent costly chronic health conditions, as well as some severe acute conditions.
- Of the approximately 70,000 ICD-10 codes, about 9,500 map to HCC categories.*

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*Adapted from https://www.asahq.org/quality-and-practice-management/managing-your-practice/timely-topics-in-payment-and-practice-management/an-introduction-to-hierarchical-condition-categories-hcc

Why is HCC coding important?

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- In recent years, there has been a shift away from a “fee-for-service” model (where providers are paid for each service that they perform) to a “value-based” model (where healthcare teams are paid based on patient health outcomes).
- Therefore, it is crucial that the providers’ documentation accurately reflects the true illness burden of their patients (as this directly impacts reimbursement).

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How do HCCs impact reimbursement?

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* HCCs directly impact the amount of money received by healthcare organizations participating in “value-based” contracts.

* Patients with high HCCs are expected to require intensive medical treatment, and clinicians that enroll these high-risk patients are reimbursed at higher rates than those with enrollees who have low HCCs.

* Organizations who do not document HCC codes properly or to the highest specificity will not receive the additional reimbursement amount for applicable patients.

* The ability to document with greater precision can dramatically impact payment amounts.

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*Adapted from https://www.imohealth.com/ideas/article/hcc-101-what-you-need-to-know-about-hierarchical-condition-categories

Economic Formula

Total Members
Demographics
ICD-10 Codes

ER Visits
Readmissions
SNF LOS
Network Integrity
Unnecessary testing/care

Surplus/Deficit = (Budget – Expenses) + Quality

BP Control
DM Control
Cancer screening
Immunizations
Patient Satisfaction

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When should I include these HCC diagnoses?

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Remember to include the appropriate HCC diagnosis codes whenever you are:

A. Managing the specific problem during the visit
   - evaluating, ordering tests, prescribing medications, sending a referral, etc.

B. Assessing the stability of the problem at the visit (even if it is being managed by an outside specialist)

-OR-

C. The problem directly impacts your medical decision making
   - You want to prescribe steroids, but the patient is diabetic.
   - You want a contrast imaging study, but the patient has CKD.

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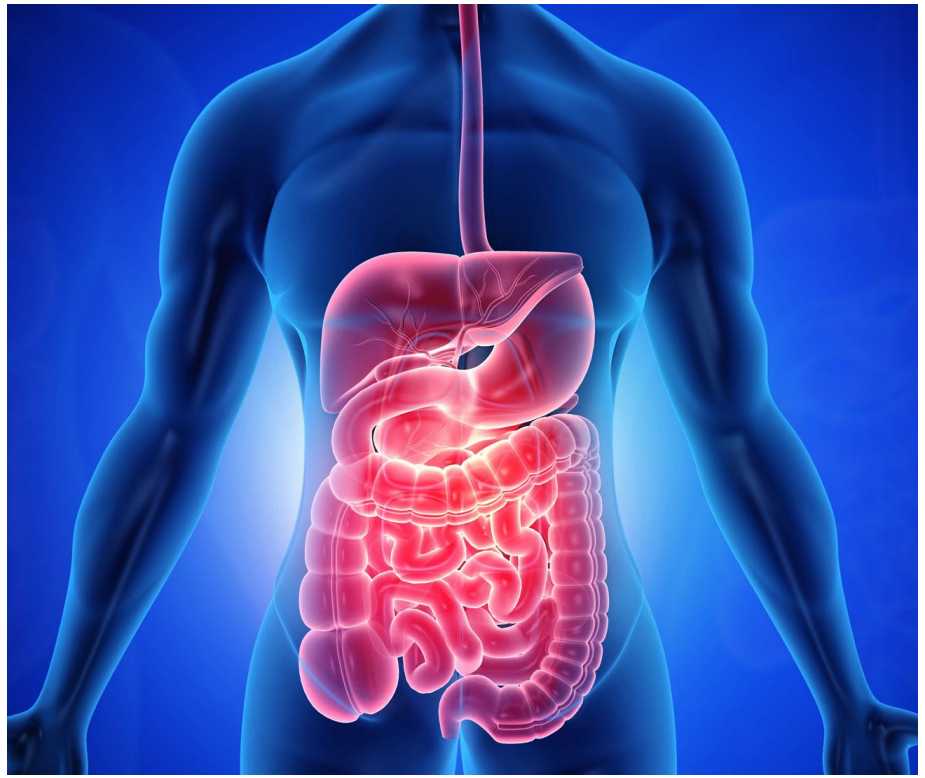
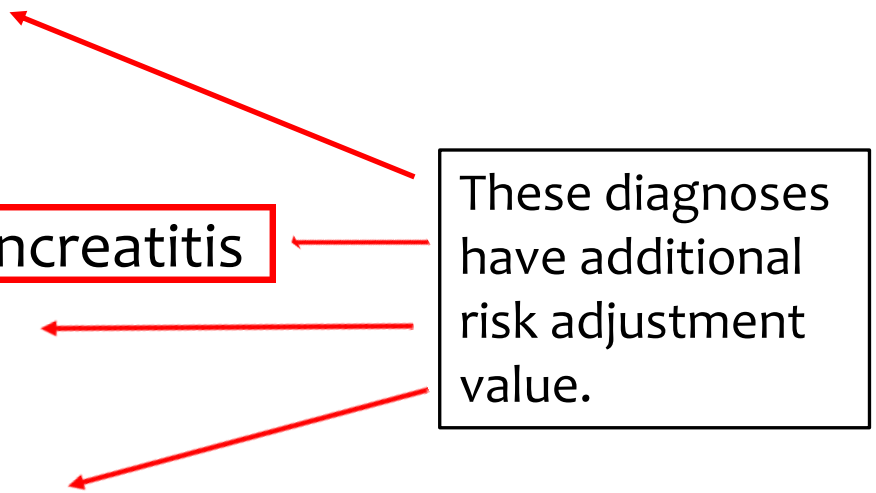
Risk Adjustment and HCC Coding for Gastroenterology



Common GI Diagnoses

- Celiac Disease
- Irritable Bowel Syndrome (IBS)
- Lactose Intolerance
- Chronic Diarrhea
- Constipation
- Gastroesophageal Reflux Disease (GERD)
- Peptic Ulcer Disease
- Crohn's Disease
- Ulcerative Colitis
- Gallstones
- Acute and Chronic Pancreatitis
- Liver Disease
- Diverticulitis
- GI Cancers



Incidence of Gastrointestinal Cancers

The American Cancer Society's estimates for the following GI cancers in the United States in 2022:

- **Esophageal** - about 20,640 new cases and about 16,410 deaths.
- **Stomach** (Gastric) - about 26,380 new cases and about 11,090 deaths.
- **Liver** - about 41,260 new cases and about 30,520 deaths.
- **Pancreatic** - about 62,210 new cases and about 49,830 deaths.
- **Colorectal** – about 106,180 new cases of colon cancer and 44,850 new cases of rectal cancer. It's expected to cause about 52,580 deaths.

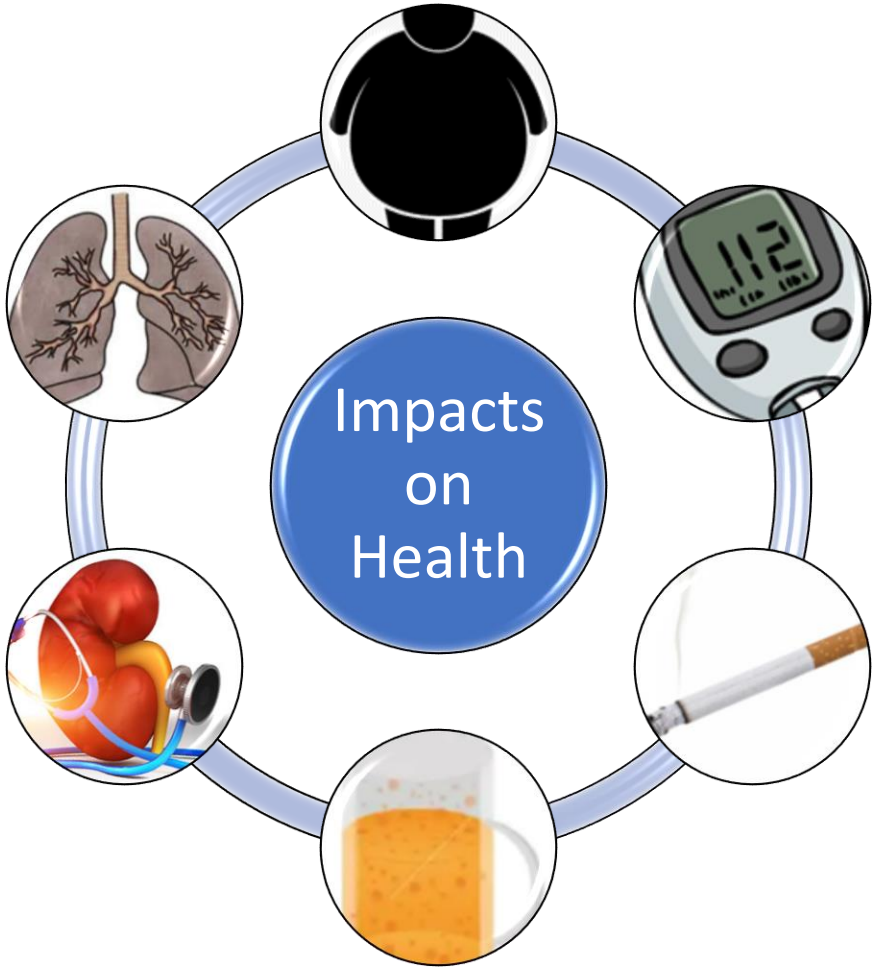
*https://www.cancer.org

Coding for Gastrointestinal Cancers

Two important points to remember:

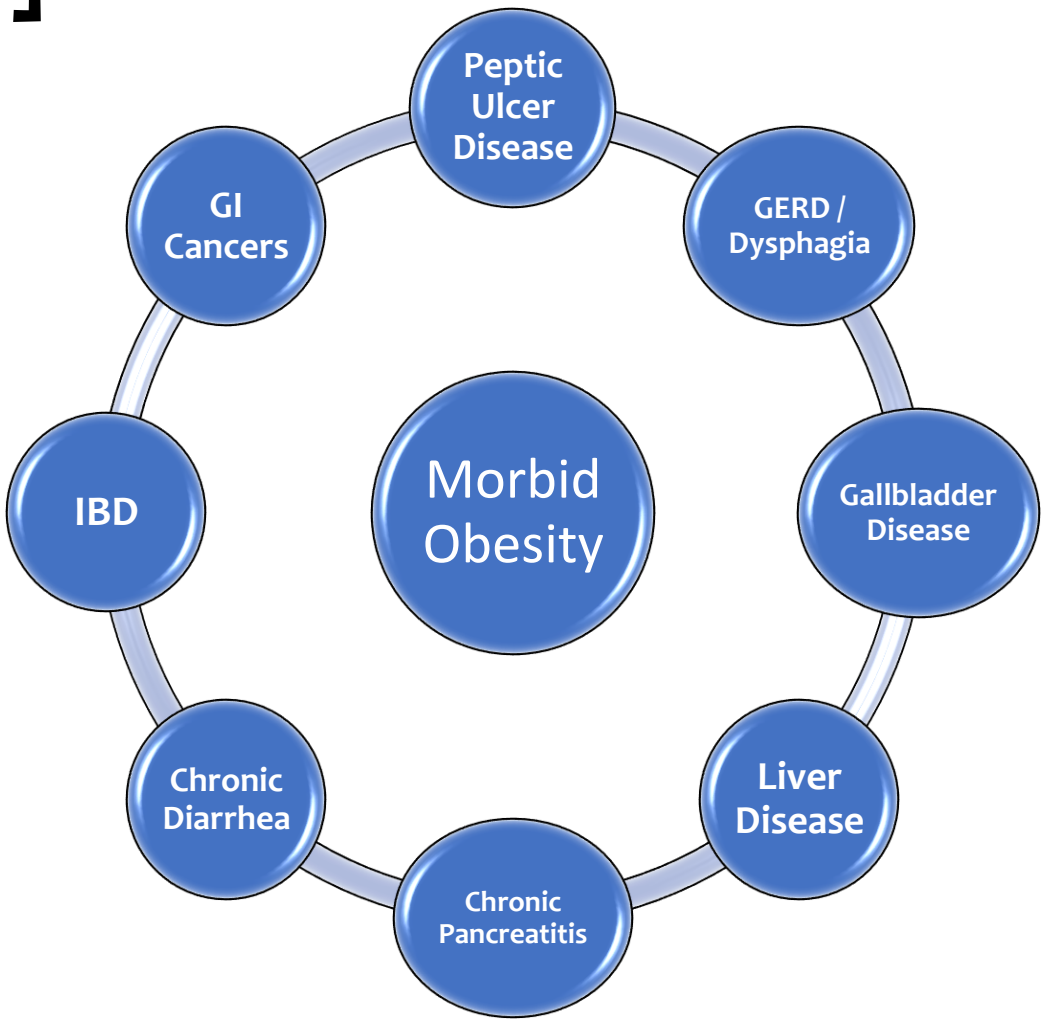
- Unless the patient is receiving active treatment (hormone therapy counts); you must code for a “history of” cancer.
- If there is evidence of metastatic disease, please include the site of the metastases (i.e., history of colon cancer [Z85.038] and secondary malignant neoplasm of the liver [C78.7]).

While it's true that, other than cancer, only a few of these common GI diagnoses actually have additional risk adjustment value, consider the impact that the following HCC associated comorbidities have on the presenting problem or your medical decision making.



Morbid Obesity [E66.01]

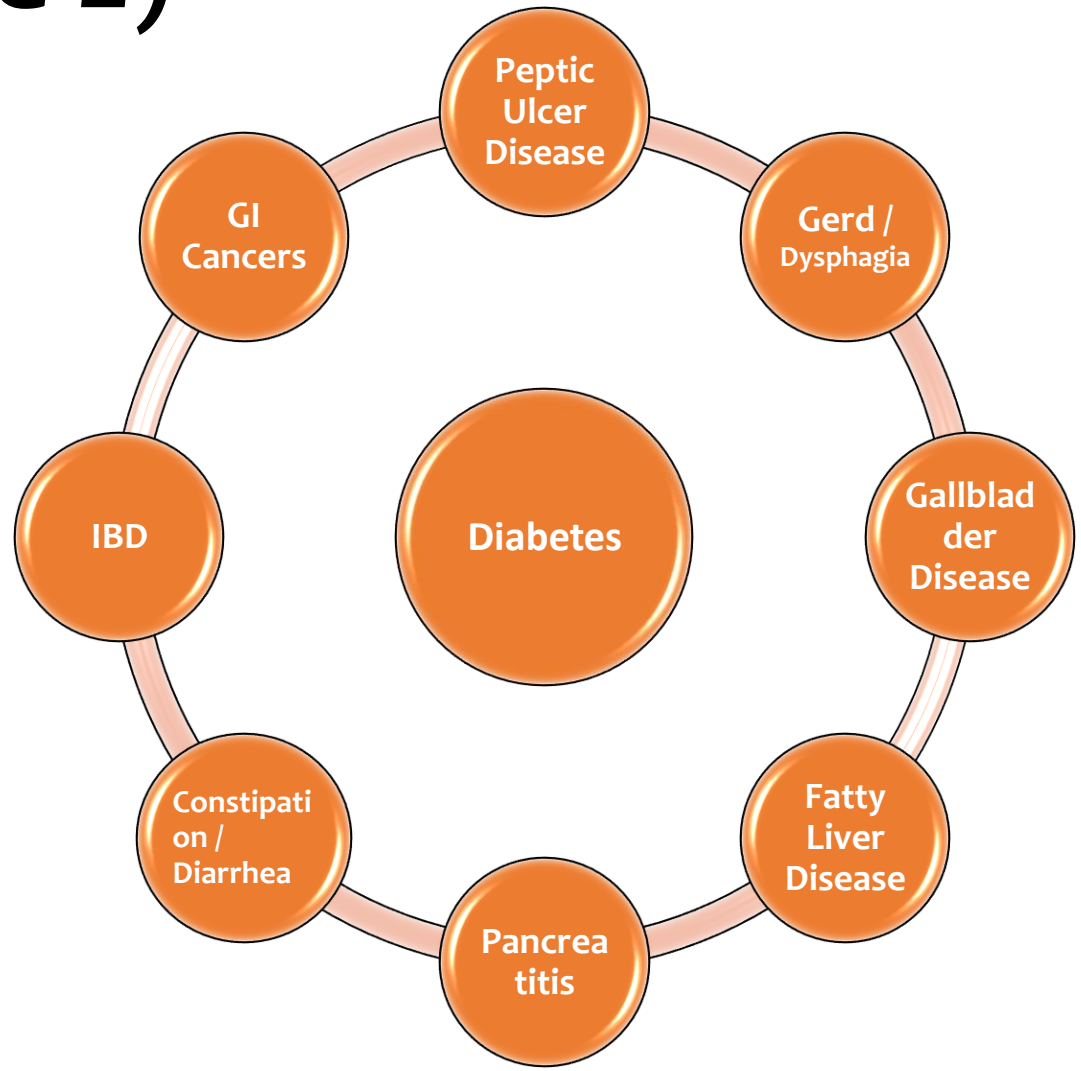
- The US obesity prevalence was 41.9% in 2017.*
- Morbid obesity is defined as a BMI of 40+, or a BMI of 35-40 with any comorbid condition impacted by weight (HTN, DM, hyperlipidemia, OSA, etc.)
- Obesity has been associated with an increased risk for PUD, GERD/dysphagia, gallbladder & liver disease, pancreatitis, chronic diarrhea, IBD and certain types of GI cancers.



*https://www.cdc.gov/obesity/data/adult.html

Diabetes (Type 1 & Type 2)

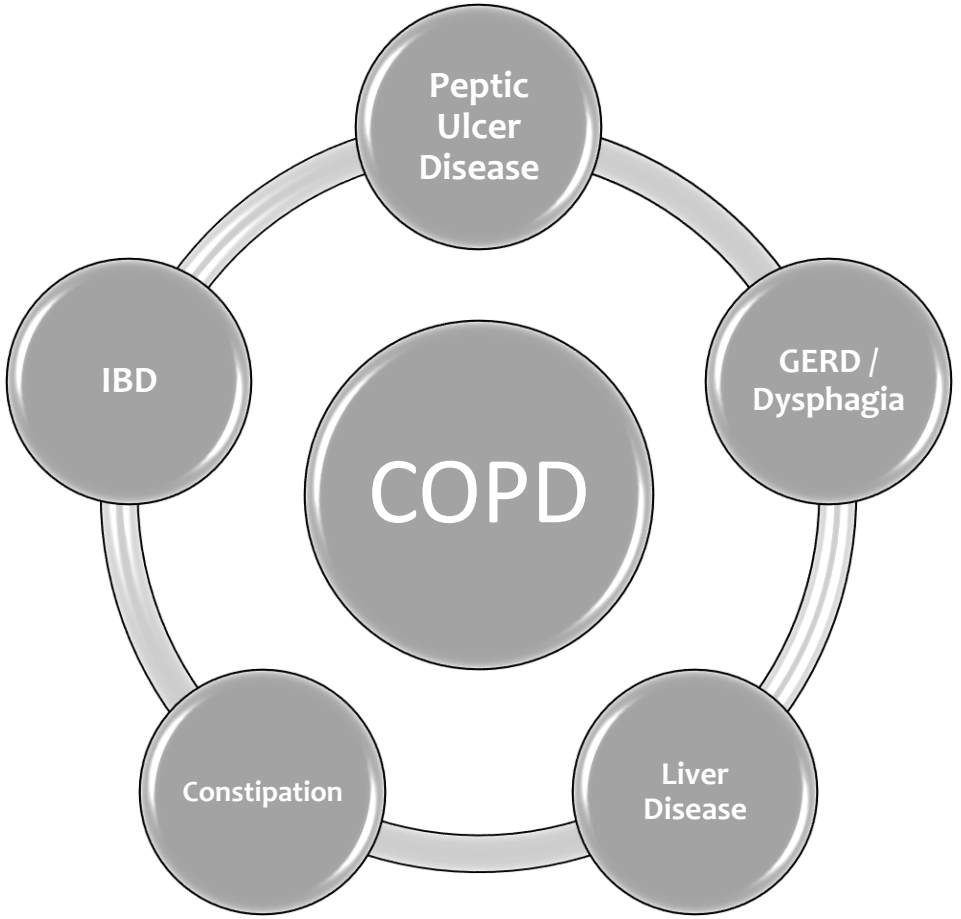
- In the U.S., 37.3 million people have diabetes (11.3% of the population).*
- Diabetes has been associated with an increased risk for peptic ulcer disease, GERD / dysphagia, gallbladder & liver disease, pancreatitis, constipation / diarrhea, IBD, and certain types of GI cancers.
- The presence of diabetes may also have an impact on your medical decision making when it comes to prescribing medications.



*https://www.cdc.gov/diabetes/data/statistics-report/index.html

COPD [J44.9]

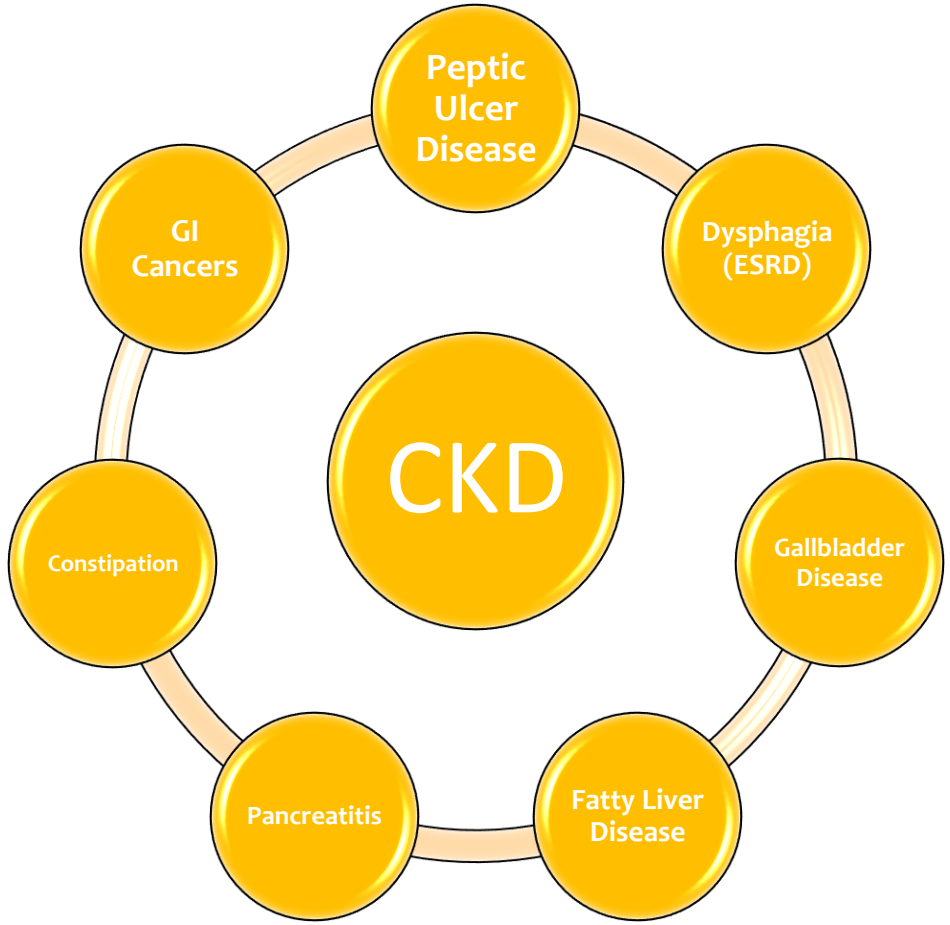
- Almost 15.7 million Americans (6.4%) reported that they have been diagnosed with COPD.*
- COPD has been associated with an increased risk for peptic ulcer disease, GERD / dysphagia, liver disease, constipation and inflammatory bowel disease.



*https://www.cdc.gov/copd/basics-about.html

Chronic Kidney Disease [N18.9]

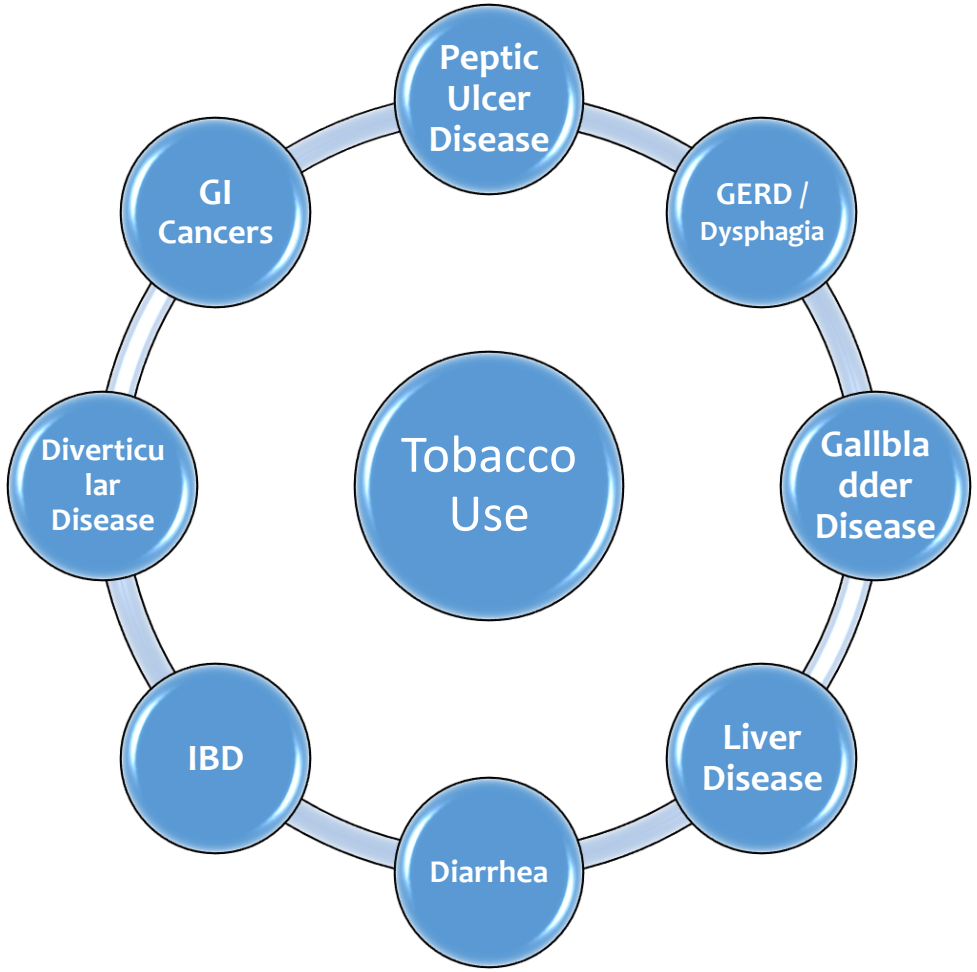
- Almost 37 million US adults (15%) are estimated to have CKD.*
  - CKD 3 => GFR <60
  - CKD 4 => GFR <30
  - CKD 5 => GFR <15
- CKD has been associated with an increased risk for peptic ulcer disease, dysphagia (in ESRD patients), gallbladder disease, liver disease, pancreatitis, constipation, and GI cancers.
- The presence of CKD may also have an impact on your medical decision making when it comes to prescribing medications.



*https://www.cdc.gov › kidneydisease › ckd-national-facts

Tobacco Use [Z72.0]^

- In 2020, an estimated 30.8 million U.S. adults currently smoked cigarettes.*
- Nearly 5.7 million adults reported current use of smokeless tobacco products.*
- Tobacco use has been associated with an increased peptic ulcer disease, GERD / dysphagia, gallbladder & liver disease, chronic diarrhea, IBD, diverticular disease, and certain types of GI cancers.

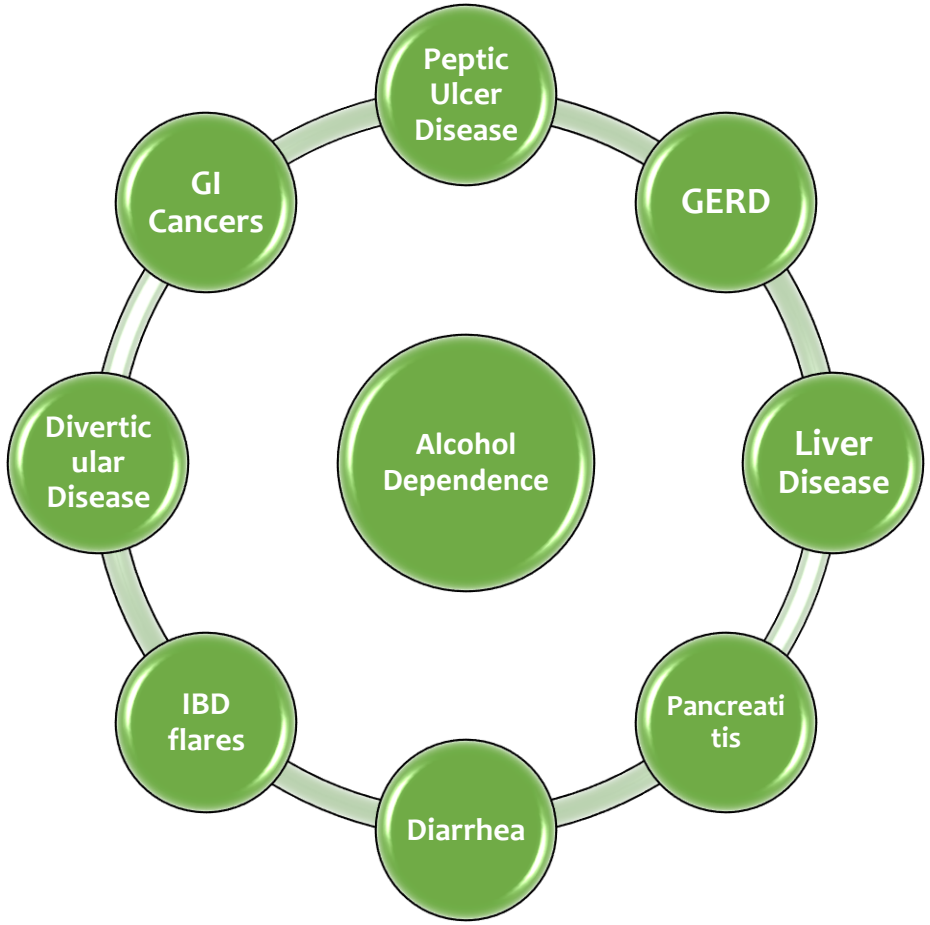


*https://www.cdc.gov

^ This diagnosis has no additional RAF value

Alcohol Dependence [F10.20]

- In 2019, 25.8 percent of people ages 18 and older reported that they engaged in binge drinking in the past month, and 6.3 percent reported that they engaged in heavy alcohol use in the past month.*
- Excessive alcohol use use has been associated with an increased risk for peptic ulcer disease, GERD, liver disease, pancreatitis, chronic diarrhea, IBD flares, diverticular disease and certain types of GI cancers.
- The presence of alcohol dependence may also have an impact on your medical decision making when it comes to prescribing medications.



*https://www.niaaa.nih.gov/publications/brochures-and-fact-sheets/alcohol-facts-and-statistics

Influence on Medical Decision Making

In addition to the impact that these comorbid medical conditions have on the underlying diagnosis, they may also influence your medical decision making when it comes to the available treatment options.

Example

- A 68-year-old female with type 2 diabetes presents for follow-up of chronic heartburn and dyspepsia despite PPI use. Her recent EGD revealed retained food in the stomach but was otherwise normal. A gastric emptying study was ordered and positive. Her BMI is 38.2 After evaluation, you feel her GERD and gastroparesis are related to her diabetes and morbid obesity.

Scenario 1	Scenario 2
GERD (K21.9)	GERD (K21.9)
Gastroparesis (K31.84)	Gastroparesis (K31.84)
	Type 2 Diabetes with autonomic neuropathy (E11.43)
Obesity, unspecified (E66.0)	Morbid obesity (E66.01)
Approx Budget = $3,100/year	**Approx Budget = $8,400/year**

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Example

- A 65-year-old male is seeing you in the office for ER follow-up of acute pancreatitis. His abdominal ultrasound also showed evidence of hepatic steatosis. His lipase and LFTs were elevated. He has a history of regular daily alcohol consumption. His BMI is 42. After evaluation, you feel that his alcohol consumption and morbid obesity are all playing a role in his pancreatitis and liver disease.

Scenario 1	Scenario 2
Acute pancreatitis (K85.9)	Acute pancreatitis (K85.9)
Fatty Liver (K76.0)	Alcohol Liver Disease (K70.9)
Obesity, unspecified (E66.0)	Morbid obesity (E66.01)
Approx Budget = $3,000/year	**Approx Budget = $8,800/year**

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Example

- A 72-year-old male smoker, with a history of alcoholism, is seeing you in the office for evaluation of liver lesions seen on a recent CT scan of his chest. The patient has a prior history of esophageal cancer treated with RFA. A liver biopsy was requested and was consistent with metastatic cancer. After further evaluation you feel his continued alcohol and tobacco use contributed to his new cancer diagnosis.

Scenario 1	Scenario 2
History of Esophageal Cancer (Z85.01)	History of Esophageal Cancer (Z85.01)
Liver Lesion (K76.89)	Secondary Malignant neoplasm of the Liver (C78.7)
	Alcohol dependence (F10.20)
	Tobacco Use (Z72.0)
Approx Budget = $3,800/year	**Approx Budget = $32,500/year**

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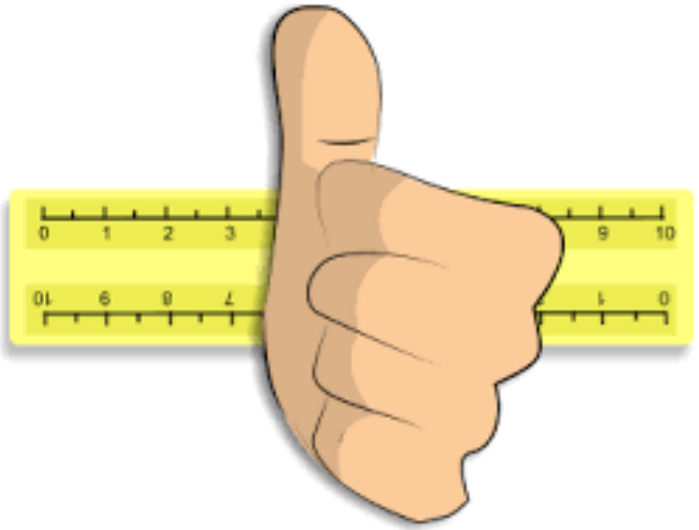
Rules of Thumb

- Code more specifically when possible
- Code for everything addressed and documented
  - **Include diseases that impacted decision making**
    - CKD impacting medication choices
    - DM impacting whether to prescribe steroids
- Code chronic conditions yearly*

*Although chronic conditions are ongoing, providers must document a patient's chronic condition and recapture the ICD-10 code annually to maintain the patient's HCC risk score. This includes amputations and ostomies.



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