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HCC Coding Update – Chronic Obstructive Pulmonary Disease (COPD)

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What is HCC coding?

Hierarchical condition category (HCC) coding

- HCC coding is based on patient complexity.

- HCC codes represent costly chronic health conditions, as well as some severe acute conditions.

- Along with demographic factors (such as age and gender), insurance companies use HCC coding to assign patients a risk adjustment factor (RAF) score.

- 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.*

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

When should I include these HCC diagnoses?

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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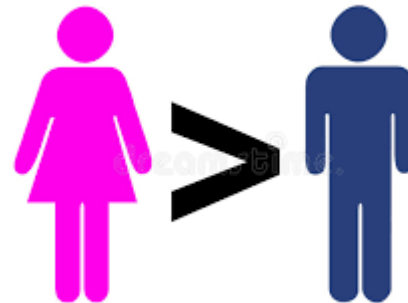# HCC Coding for Chronic Obstructive Pulmonary Disease
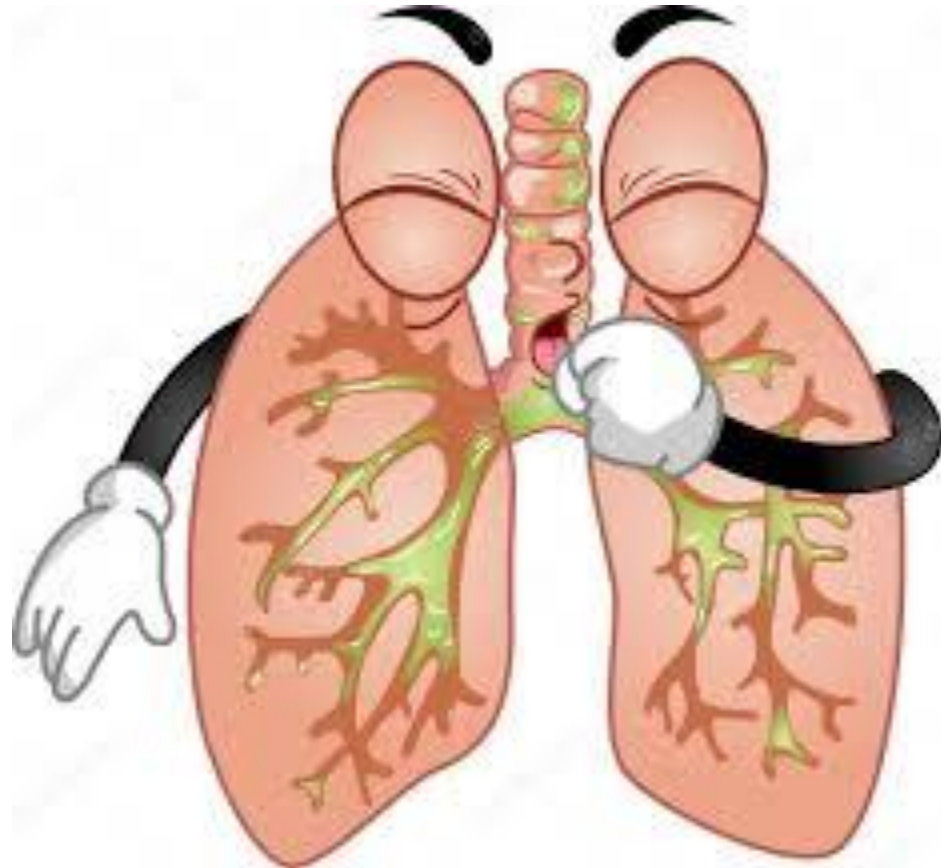
United States COPD Statistics*

COPD was the fourth leading cause of death in the United States in 2018.

Almost 15.7 million Americans reported that they have been diagnosed with COPD.

In the United States, tobacco smoke is a key factor in the development and progression of COPD.

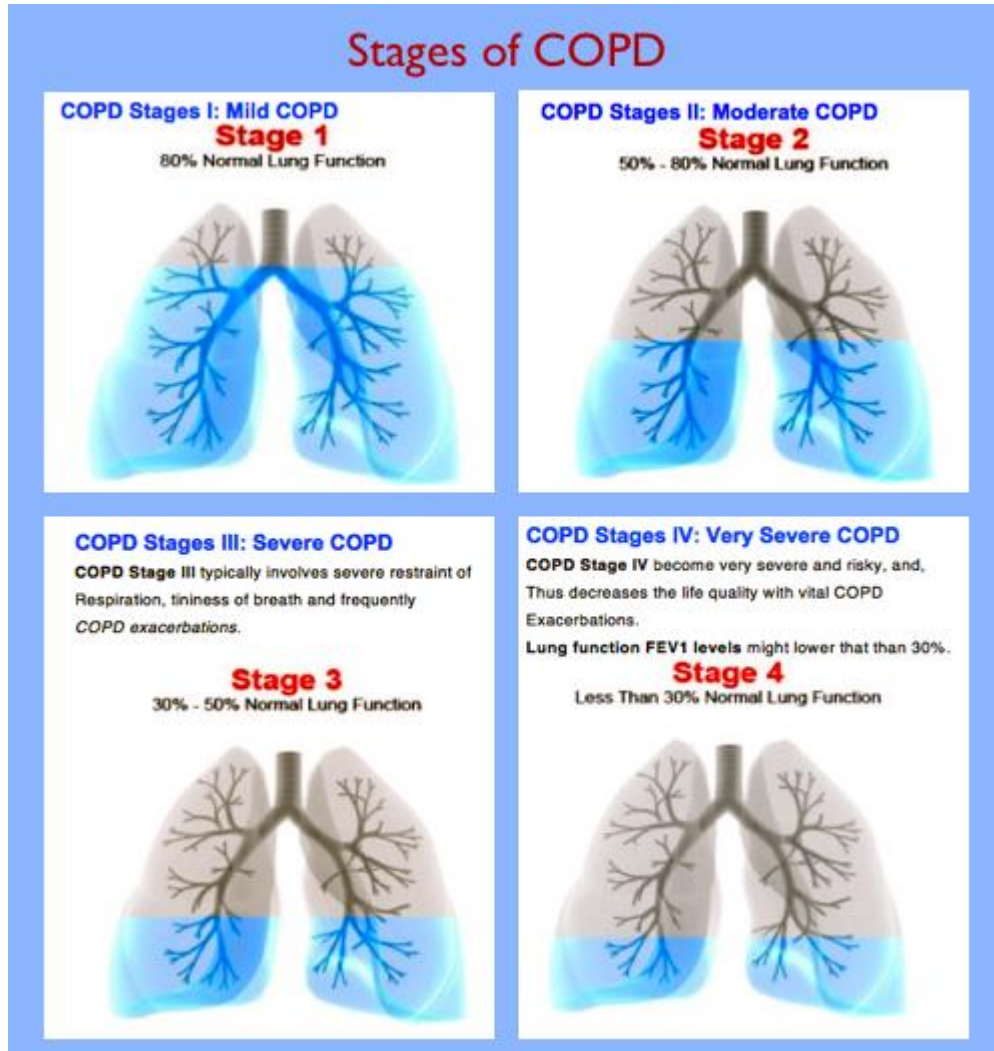Since 2000, more women than men have died from COPD in the United States.
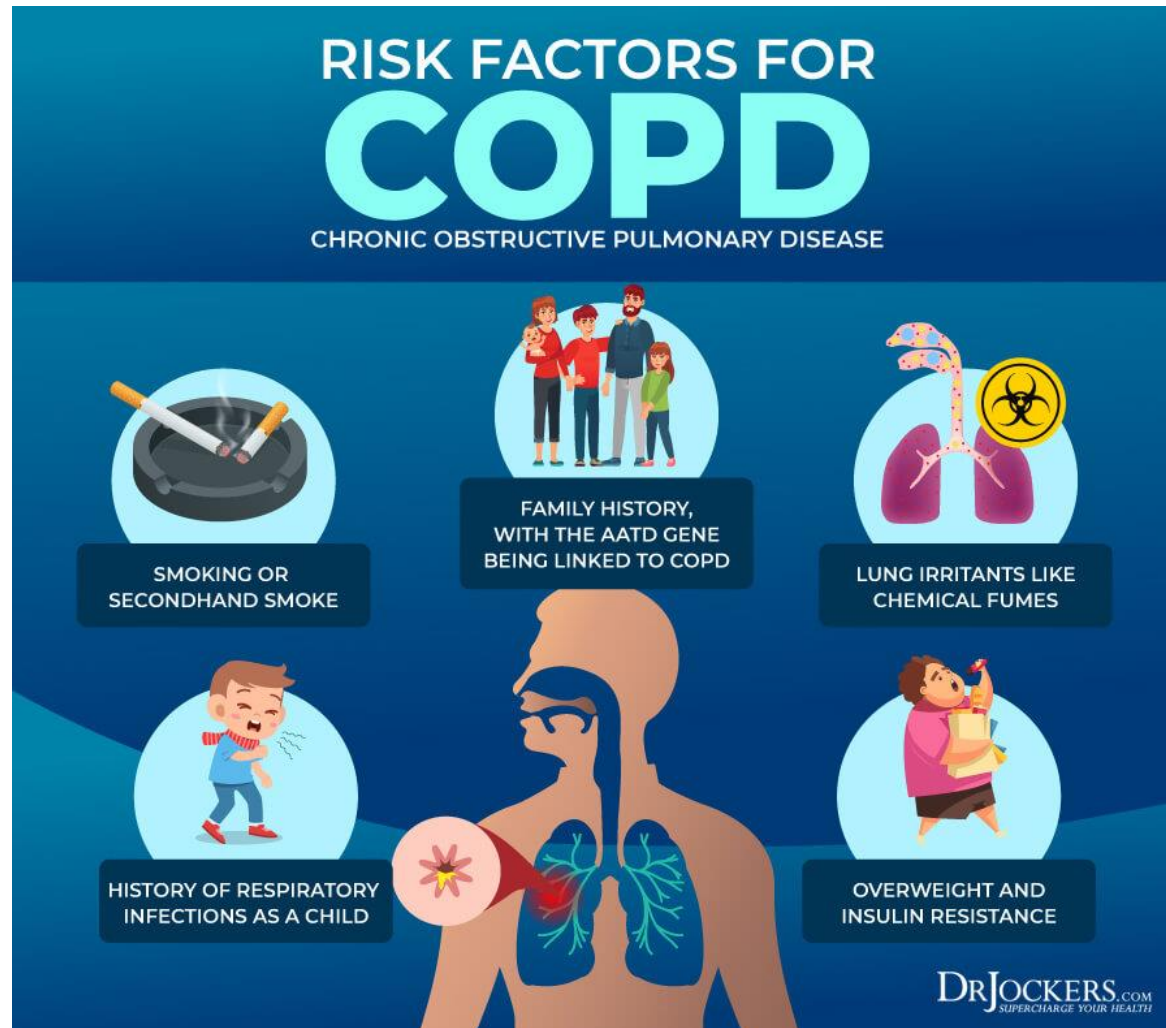
*Source: CDC.gov 7/14/22

What is COPD?

Chronic obstructive pulmonary disease, or COPD, refers to a group of diseases that cause airflow blockage and breathing-related problems. It includes emphysema and chronic bronchitis.
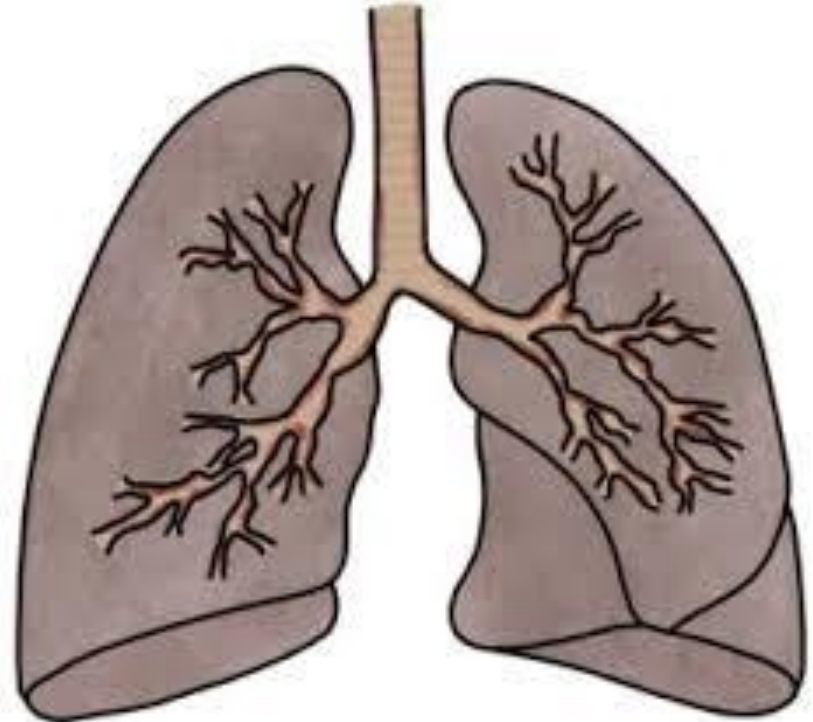
What are the stages of COPD?

What are risk factors for COPD?

Make sure to code for both the type of the COPD encounter:

* Chronic COPD [J44.9]

* COPD with acute exacerbation [J44.1]

* COPD with acute lower respiratory infection [J44.0]

AND for the associated risk factor(s):

- Tobacco Use Disorder [Z72.0]

- History of tobacco dependence [Z87.891]

- Inhalation of chemicals, gas, fumes and vapors [J68]

- Smoke inhalation [J70.5]

- Family history of chronic lower respiratory disease [Z82.5]

- Morbid Obesity [E66.01]

- Diabetes with unspecified complications [E10.8 / E11.8]

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Additional COPD related ICD-10 codes

- Acute respiratory failure w/ hypoxia [J96.01]
- Chronic respiratory failure w/ hypoxia [J96.11]
- Dependence on supplemental oxygen [Z99.81]

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Using the most specific diagnosis when coding for your visits can have a significant impact on reimbursement.

Example

- A 66-year-old male ex-smoker is seeing you in the office for a productive cough for several days. He has a history of COPD and poorly controlled type 2 diabetes with hyperglycemia. His BMI is 38.2. Chest x-ray shows changes consistent with COPD, but no infiltrate.

Scenario 1	Scenario 2
Acute bronchitis, unspecified (J20.9)	COPD with exacerbation (J44.1)
Type 2 Diabetes w/o complications (E11.9)	Type 2 Diabetes with hyperglycemia (E11.65)
Obesity, unspecified (E66.0)	Morbid obesity (E66.01)
Approx Budget = $3,000/year	Approx Budget = $11,500/year

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Example

- A 70-year-old female ex-smoker with COPD presents for her regular follow-up visit. O2 sat on room air is 88%. Her BMI is 17.2.

Scenario 1	Scenario 2
COPD (J44.9)	COPD (J44.9)
	Chronic respiratory failure with hypoxia (J96.11)
	Protein calorie malnutrition (E46)
Approx Budget = $7,000/year	**Approx Budget = $17,500/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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