INSURANCE AND MEDICAL BILLING ASSIGNMENT

Your Name

Institution

International Classification of Diseases (ICD) is the system used by healthcare professionals to identify all procedure, symptoms, and diagnoses in the United States. These codes provide details which are necessary for diagnostics. ICD-10 code set is an upgraded version of ICD-9, and both of them have a different fundamental structure.

# Difference between IDC-10 and ICD-9

ICD-9 lack details as compared to ICD-10. ICD-10 is very descriptive and addresses more issues. Example, if a patient is treated for a wound on his left hand, ICD-9 code will only specify it as a wound in the arm. If the patient has got a wound in his right hand as well, the same ICD-9 code (which was used for left arm) will be used again. ICD-10 code covers the lack of description in the ICD-9 code. From the above example, if the person is diagnosed with a mild wound in his left arm, ICD-10 will identify it as a wound in the left hand. ICD-10 codes identify right and left both with separate codes.

Other main difference in ICD-9 and ICD-10 is the character difference. ICD-9 codes have 3-5 character length, while the ICD-10 has 3-7 character length. Small character length of ICD-9 results in limitation of a number of codes. Some of the chapters/ section of ICD-9 are full and there is no space to add new code. ICD-10 has total 68,000 number of codes available with an ability to add more codes (RN Anderson, 2001).

If a person is diagnosed with two or more disease/ problems, more codes are needed to be addressed which not only acquire space but also add complexity. For example, if a person has cold flu and burn wound on his hand, two codes will be used to address his diagnostics. ICD-10 codes system has an ability to combine multiple codes. This ability to combine multiple codes, make the report small and easy to understand. ICD-9 codes lack the ability to combine codes. Other main difference which is related to the characters of the code is that ICD-10 uses alphabets and ICD-9 does not.

# How do you think ICD 10 can improve billing and statistical data (research)?

ICD-10 improves billing as it has a more granular coding system which allows healthcare professionals to accurately report the care they are providing. Example, if a patient with chronic disease routinely comes for the test, his cost for the test would be less as compared to the ones who require an entirely new treatment. ICD-10 codes distinguish between both cases, which results in improve billing (AD Boyd, 2013). As mentioned before, ICD-10 codes have more room for new codes, which allows easy billing for those new codes as well. ICD-10 eliminates the possibility of any fraud or exaggerated claims. This decrease in fraud and wrong claims reduces the cost of health insurance and medical care for every patient. The fraud can be due to a dishonest physician, who includes services which are not giving to the patient. ICD-10 does not allow that. Conversion to ICD-10 system will result in accurate reimbursement for providers, and better patient care. ICD-10 allows a medical professional to accurately document, and billing staff to file a clean claim.

ICD-10 helps the healthcare provider to identify the patient in need of pain or disease management. In ICD-10, diabetes has six expansions. This detailed branched structure of the system allows the healthcare provider to direct the right patient into the right program. The ICD-10 provides a better offer to the providers and payers for comprehensive data that supports monitoring performance on the costs incurred and payments. It helps develop better policy-making decisions through effective statistical data. It provides the payers with comprehensive ability to make cost analysis and analyze trends. It improves and promotes the information to allocate resources where they are most needed. ICD-10 produces lesser data complexities and documentation for billing procedures. Information technology has made data readily available for further clinical data and care required for the patients. It helps the administrative reporting and further saves time on healthcare promotion.

Reimbursement is another issue which the ICD has successfully resolved due to its more rational approach. It has helped in designing and implementing reimbursement systems for pay and performance systems, which is vital step towards emerging successful against reimbursement problems and delays. The increase used of automated systems reduce the risks on the costs and time involved.

# References

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RN Anderson, A. M. (2001). Comparability of cause of death between ICD-9 and ICD-10 : preliminary estimates.