Get Credit for Severity of Illness by Accurately Reporting Secondary Diagnoses

What Qualifies?

The documentation of a **condition that qualifies** as a complication or comorbidity can substantially increase payment for the average hospital. These conditions also establish severity of illness and result in accurate outcomes data. Under the CMS severity-adjusted DRG system, secondary diagnoses may be designated as major CCs with substantial impact on reimbursement and risk adjustment or CCs with lesser impact. Most diagnoses that are classified as "unspecified" do not impact reimbursement and have very little impact on risk adjustment.

Secondary diagnoses that should be reported are "additional conditions that effect the patient care in terms of:

- *clinical evaluation; or*
- *therapeutic treatment; or*
- *diagnostic procedures; or*
- *extended length of hospital stay; or*
- *increased nursing care and/or monitoring."*

Coexisting conditions should also be reported when they impact the use or consideration of alternative measures in the treatment of the principal diagnosis. Not all additional diagnoses that meet the criteria for reporting will currently qualify for the extra payment, however. For example, hypertension, diabetes, chronic ischemic heart disease, arthritis, etc. do not qualify for extra payment when listed as secondary diagnoses. These conditions can impact severity adjustment and are still important for reporting accuracy.

"A joint effort between the healthcare provider and the coder is essential to achieve complete and accurate documentation, code assignment, and reporting of diagnoses and procedures... The importance of consistent, complete documentation in the medical record cannot be overemphasized."

ICD-10-CM Official Guidelines for Coding and Reporting

In This Issue

The Impact of Reporting Accuracy on Hospital Reimbursement

Specificity of principal and secondary diagnoses is imperative to reimbursement accuracy.

Example #1:
Principal Dx: Pneumonia
Secondary Dx: CHF
MS-DRG 195 Simple Pneumonia w/o CC/MCC $3,850

Example #2:
Principal Dx: Aspiration Pneumonia
Secondary Dx: CHF
MS-DRG 179 Complex Pneumonia w/o CC/MCC $4,712
INCREASED $862

Example #3:
Principal Dx: Aspiration Pneumonia
Secondary Dx: Systolic Heart Failure
MS-DRG 178 Complex Pneumonia w CC $6,522
INCREASED $1,810

Example #4:
Principal Dx: Aspiration Pneumonia
Secondary Dx: Acute on Chronic Systolic Heart Failure
MS-DRG 177 Complex Pneumonia w MCC $10,679
INCREASED $4,157

**Using hospital-specific rate of $6,000.*

Potentially Overlooked Secondary Diagnoses

- Acidosis / Alkalosis
- Acute Blood Loss Anemia
- Atelectasis
- Attention to Gastrostomy (Repositioning, Cleansing, Catheter Replacement, etc.)
- Body Mass Index (≤ 19 or ≥ 40)
- Brain Compression
- Cachexia
- Cerebral Edema
- Coma
- Dementia with Behavioral Disturbance
- Encephalopathy
- *Exacerbation* of COPD or Asthma
- Functional Quadriplegia
- Hemiparesis / Weakness due to Stroke
- Malnutrition (specify stage)
- Pressure Ulcers

It only takes ONE MCC/CC condition to impact MS-DRG assignment and reimbursement! However additional secondary diagnoses may impact risk adjustment!

Hospital Compare

"The statistical process of accounting for differences in patients' sickness before they were admitted to the hospital is called risk-adjustment.

This statistical process aims to 'level the playing field' by accounting for health risks that patients have before they enter the hospital."

www.carecompare.gov

Secondary Diagnoses Can Impact MORE than PAYMENT!

Secondary diagnoses are important to assure providers:

- are appropriately reimbursed by Medicare and other DRG-based payors;
- get credit for the **severity of illness** of their patients;
- demonstrate an accurate portrayal of the **risk of mortality** of their patients;
- are correctly rated in public report cards;
- adequately establish the appropriate level of care as determined by comorbid conditions along with the patient's principal diagnosis;
- receive accurate credit for risk adjustment through justification of appropriate HCCs (hierarchical condition categories).

PATIENT A1:	PATIENT B1:
CHF COPD RENAL INSUFFIENCY	ACUTE SYSTOLIC HEART FAILURE EXACERBATION OF COPD CHRONIC KIDNEY DISEASE, STAGE 4
PATIENT A2:	**PATIENT B2:**
ACUTE & CHRONIC CHOLECYSTITIS HYPERTENSION HYPERCHOLESTEROLEMIA	ACUTE & CHRONIC CHOLECYSTITIS HYPERTENSION HYPERCHOLESTEROLEMIA COPD MALNUTRITION HYPONATREMIA

"B" patients have a higher severity of illness and are at greater risk of death!

Major Complications / Comorbid Conditions (MCC)

Cardiovascular / Cerebrovascular:

Brain Death; Brain Compression
CHF – Acute (or Acute on Chronic); Systolic or Diastolic or Combined
Cor Pulmonale, Acute
CVA / Stroke / Cerebral Infarct or Hemorrhage
Cerebral Edema
Coma *(except w/ ICB)*
Myocarditis, Acute
MI, Acute (all types 1-5)
Pulmonary Embolism, Acute
Rupture, Chordae Tendineae or Papillary Muscle

Complete documentation is needed to get credit for severity of illness and risk adjustment!

Respiratory & Infectious Disease:

Acute Respiratory Distress Syndrome
COVID-19
Pneumonia, Including Viral
Pulmonary Edema, Acute (Noncardiogenic)
Respiratory Failure, Acute or Acute on Chronic
Respiratory Failure, Acute Following Trauma / Surgery
Sepsis, Severe Sepsis, Septic Shock
Spontaneous Tension Pneumothorax

Other MCCs:

Acute Renal Failure with Acute Tubular Necrosis (ATN)
Acute Liver Failure
Aplastic Anemia due to drugs / chemo, infection, radiation
Diabetic Ketoacidosis, Diabetes w/ Hyperosmolarity or Other Coma
Encephalopathy – Metabolic, Toxic
End Stage Renal Disease
GI Disorder w/ Hemorrhage (Gastritis, Duodenitis, Diverticular Disease)
GI Ulcer w/ Perforation, Hemorrhage
Ischemic Colitis, Acute
Locked-In State
Major Injuries
Malnutrition, Severe
Pancreatitis, Acute
Pancytopenia, Chemo or Drug-Induced
Peritonitis
Pressure Ulcer, Stage III or IV (if POA)
Quadriplegia, Functional Quadriplegia
SIRS due to Noninfectious Process w/ Acute Organ Dysfunction
Volvulus

MCC if D/C Alive:

- **Cardiac Arrest**
- **Cardiogenic Shock**
- **Respiratory Arrest**
- **Ventricular Fibrillation**
- **Other Shock w/o Trauma**

For a complete list of MCC & CC codes, see attachments– Table 6I and 6J - in the FY23 IPPS Final Rule

Complications / Comorbid Conditions (CC)

Cardiovascular & Vascular

Acute Coronary Syndrome
Angina, Unstable. Refractory
Atrial Flutter, Atrial Fib– Persistent, Chronic, Permanent
Block – Complete AV, Trifascicular, BBBB
CAD of Bypass Graft w/o Angina
CAD of Bypass Graft w// Angina (*if specified as autologous vein/ artery or nonautologous)*
Cardiac Tamponade
Cardiomyopathy *(except ischemic)*
CHF if specified as Systolic or Diastolic' HFrEF, HFpEF
Chronic Total Occlusion – Extremity Artery
Endocarditis
Heart Failure, Left
Hypertensive Encephalopathy
Hypertensive Heart & Kidney Dz w/ CHF
In-Stent Stenosis (Cardiac Stent); Stent Jail
Injury, Myocardial Non-ischemic
Ischemia—Acute Myocardial w/o MI; Demand
Pleural Effusion
Post MI Syndrome
Shock *unspecified as to type*
Tachycardia - Paroxysmal Supraventricular
Tachycardia - Paroxysmal Ventricular (*Not if nonsustained)*
Thrombophlebitis *(deep veins, lower extremity)*
Venous Thrombosis *(specify acute or chronic)*

Gastrointestinal

Ascites
Attention to Gastrostomy
C. Diff Enteritis
Cholelithiasis w/ Cholecystitis
Colitis, Enteritis or Gastroenteritis of Presumed Infectious Origin
Colitis, Ischemic or Ulcerative
Colostomy / Enterostomy Complications
Crohn's Disease
Diverticulitis
Gastroenteritis – Toxic or due to Radiation
GI Bleed; Melena; Hematemesis; Hemoptysis
Gluten Sensitivity (non-celiac)
Hernia w/ Obstruction
Ileus
Intestinal Infections – Viral, Bacterial, E. Coli, Staph, Pseudomonas, etc.
Intestinal Malabsorption
Jaundice
Megacolon
Pancreatitis, Chronic
Ulcer, Acute – Gastric, Duodenal, Peptic

Behavioral, Nervous & Cerebrovascular

Aphasia *(not post-stroke)*
Bipolar Disorder *(except unsp or in remission)*
Dementia w/ Behavioral Disturbance
Dementia , Senile w/ Acute Confusional State
Epilepsy, intractable
Hallucinations *(auditory, drug/alcohol induced)*
Hemiplegia; Hemiparesis, Left Sided Neglect, Paraplegia
Normal Pressure Hydrocephalus
Schizophrenia *(except unspecified, undifferentiated)*
Seizures, Post-Traumatic
Suicidal Ideation
TIA
Vertebrobasilar Insufficiency
Weakness—unilateral due to stroke
Withdrawal – Alcohol or Drug *including Nicotine*

Nephrology & Genitourinary

Acute Renal Failure / Acute Kidney Injury
Calculus of Ureter
Chronic Kidney Disease, Stage 4 or 5
Cystostomy Complications
Hydronephrosis / Hydroureter
Nephrotic Syndrome
Polycystic Kidney
Pyelonephritis, UTI

Orthopedic & Skin

Abscess
Cellulitis *(except fingers, toes)*
Compartment Syndrome, Nontraumatic
Complications of Prosthetic Joint
Fractures, Pathologic; Traumatic, Closed – *many sites*
Gangrene
Osteomyelitis, Acute, Chronic, or Unspecified
Stasis Ulcer – *inflamed or infected*
Ulcer of Skin, Lower Extremity

Hematologic & Oncology

Acute Blood Loss Anemia; Aplastic Anemia
Acquired Hemophilia
Bleeding disorder enhanced by anticoagulant
Hypercoagulable State
Lymphoma & Leukemia *(also in remission)*
Malignant Neoplasm *(Most Sites–not Breast/ Prostate)*
Pancytopenia
Secondary Neuroendocrine Tumors

Respiratory

Asthma Exacerbation
Atelectasis
COPD w/ Acute Exacerbation
Emphysema w/ Exacerbation of Chronic Bronchitis
Hemoptysis
Pulmonary Edema - *noncardiogenic*
Respiratory Alkalosis
Respiratory Distress, Acute
Respiratory Failure, Chronic

Metabolic

Acidosis / Alkalosis
Adult BMI ≤19, Adult BMI ≥40
Hypernatremia / Hyponatremia
Malnutrition *(unless severe),* Cachexia
Obesity Hypoventilation Syndrome

Other

Bacteremia; CLABSI, SIRS d/t noninfectious process
Complication / Infection of Device, Implant, Graft
Shock – postop *w/o specifying type*
Thrush
Transplant Status – *most organs*

Avoid Non-Specific Terminology

Listed below are more examples of non-specific diagnoses not recognized for DRG reimbursement, and a more specific counterpart that IS recognized by the DRG reimbursement methodology:

NON-SPECIFIC DIAGNOSIS	SPECIFIC CONDITION
Azotemia	Obstructive Uropathy, Acute Renal Failure Chronic Kidney Disease (specify stage)
Diabetes Mellitus	Diabetic Gastroparesis, Diabetic Nephrosis, DKA, etc.
Hypertension	Hypertensive Encephalopathy Hypertensive Heart Disease Hypertensive Emergency Hypertensive Crisis
Hypoalbuminemia	Malnutrition *(specify mild, moderate, severe)*
Hypercapnia	Acute Hypercapnic Respiratory Failure or Acute Exacerbation of COPD
Anemia	Acute Blood Loss Anemia
GI Bleed	GI Bleed due to Gastritis *or other specific GI condition*
Cardiac Arrhythmia	Atrial Flutter, Paroxysmal Ventricular Tachycardia, Persistent Atrial Fibrillation, Etc.
Cardiomegaly	Acute or Chronic, Systolic or Diastolic Heart Failure
Schizophrenia	Chronic Schizophrenia *or other more specific type*

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