



Hospital Handbook Transmittal Letter (HHTL) 3352-20-02

Published on April 8, 2020

**TO: All Hospital Providers
Directors, County Departments of Job and Family Services**

FROM: Maureen M Corcoran, Director

**SUBJECT: Adoption of New Procedure and Diagnosis Codes and Implementation
of APR-DRG Version 37.1**

Summary:

This Hospital Handbook Transmittal Letter (HHTL) provides information pertaining to the adoption of two Healthcare Common Procedure Coding System (HCPCS) codes, a new International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10 CM) diagnosis code and how the adoption of these code updates impact inpatient and outpatient reimbursement. The department has implemented the All Patient Refined–Diagnosis Related Groups (APR-DRG) version 37.1 to reimburse inpatient hospital claims with dates of discharge on or after April 1, 2020.

New Diagnosis Codes:

COVID-19

On January 30, 2020, the World Health Organization (WHO) declared the 2019 Novel Coronavirus (2019-nCoV) disease outbreak a public health emergency of international concern. As a result of the declaration, the WHO Family of International Classifications (WHOFIC), Network Classification and Statistics Advisory Committee (CSAC) convened an emergency meeting on January 31, 2020 to discuss the creation of a specific code for this new coronavirus. A new ICD-10 emergency code (U07.1, 2019-nCoV acute respiratory disease) has been established by WHO. On February 11, 2020 the WHO announced the official name of the virus: COVID-19. Then, on March 11, 2020, COVID-19, was declared a pandemic by the World Health Organization. On March 13, 2020 a national emergency was declared in the United States concerning the COVID-19 outbreak.

Given these developments, and the urgent need to capture the reporting of this condition in our nation’s claims and surveillance data, the Centers for Disease Control (CDC), under the National Emergencies Act Section 201 and 301, is announcing that the effective date of the new diagnosis code U07.1, COVID-19, is April 1, 2020. This off-cycle update is unprecedented and is an exception to the code set updating process established under

HIPAA. In response, the Department is updating its reimbursement systems to be able to accept this new diagnosis code with an effective date of April 1, 2020. This COVID-19 diagnosis code will be available for all claim types, as all valid diagnosis codes are currently. Additional information regarding the creation of this diagnosis code can be found here: <https://www.cdc.gov/nchs/data/icd/Announcement-New-ICD-code-for-coronavirus-3-18-2020.pdf>

Coronavirus Lab Tests Codes

The Centers for Medicare & Medicaid Services (CMS) took additional actions to ensure America's patients, healthcare facilities and clinical laboratories are prepared to respond to COVID-19. CMS has developed two Healthcare Common Procedure Coding System (HCPCS) codes that can be used by laboratories to bill for certain COVID-19 diagnostic tests to help increase testing and track new cases. The first HCPCS code (U0001) is used to bill for tests and track new cases of the virus. This code is used specifically for CDC testing laboratories to test patients for SARS-CoV-2. The second HCPCS billing code (U0002) allows laboratories to bill for non-CDC laboratory tests for SARS-CoV-2/2019-nCoV (COVID-19). Both codes are effective for outpatient visits occurring on or after February 4, 2020.

Vaping Code

In response to health care encounters and deaths related to e-cigarette, or vaping, product use associated lung injury (EVALI), the WHO has created a new ICD-10 diagnosis code, U07.0 – Vaping-related disorder. Subsequently, the [CDC has adopted this code into the ICD-10-CM code set for use in the United States and has released new guidelines](#) for the evaluation and treatment of patients suspected to suffer from EVALI. The new diagnosis code, U07.0, will be available for use on inpatient discharges and outpatient visits occurring on or after April 1, 2020. This vaping diagnosis code will be available for all claim types, as all valid diagnosis codes are currently. Additional information regarding the creation of this diagnosis code can be found here: <https://www.cdc.gov/nchs/data/icd/Vaping-Announcement-final-12-09-19.pdf>.

Grouping Software Update:

The Department utilizes software developed and maintained by 3M Health Information Systems (3M) to process both inpatient and outpatient claims. Due to the lateness of decision to make the COVID-19 diagnosis code effective April 1, 2020 rather than the previously announced October 1, 2020, 3M was not able to include diagnosis code U07.1 in their April 1st release. Hospitals are asked to please hold claims with diagnosis code U07.1 until April 27th.

Additionally, the Department reminds providers that all claims should be coded to the greatest specificity possible within the applicable coding guidelines. Claims should include all appropriate Condition, Occurrence and Value Codes at the header level and all applicable modifiers at the detail level. When providing telehealth services, the "GT"

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modifier should be used, if space allows. Applicable codes and modifiers should be reported regardless of their effect on payment.

Inpatient Claims Processing

The Department has implemented version 37.1 of 3M’s All Patient Refined Diagnosis Related Groups (APR-DRG) to accommodate the new diagnosis codes. This version of 3M’s APR-DRG Grouper will be effective for all discharges on or after April 1, 2020. The new diagnosis codes will group to existing APR-DRGs. Therefore, it will not be necessary to adjust the APR-DRGs or their relative weights.

Outpatient Claims Processing

The new HCPCS codes will group to existing Enhanced Ambulatory Patient Groups (EAPGs) version 3.14 which the Department implemented on January 2, 2020. Therefore, it will not be necessary for the Department to adjust the EAPGs or their relative weights.

Access to Rules and Related Material

Information about the services and programs of the Department may be accessed through the Department’s main webpage: <http://www.medicaid.ohio.gov> .

- Stakeholders who want to receive notification when the Department original or final files a rule package may visit JCARR’s RuleWatch at www.rulewatchohio.gov where an account can be created to be notified of rule actions by rule number or department.
- Stakeholders can subscribe to receive notification when a clearance or BIA is posted for public comment on the Ohio Business Gateway here: <http://business.ohio.gov/reform/enotify/subscription.aspx>

Information about hospital payment policies may be accessed through the Department main web page (<http://medicaid.ohio.gov> > Providers > Fee Schedule and Rates >Click “I Agree”).

Additional Information

Questions pertaining to this letter should be addressed to:

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or

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