

In January 2009, the U.S. Department of Health and Human Services published final rules requiring the use of **International Classification of Diseases version 10** (ICD-10) for diagnosis and hospital inpatient procedure coding. This rule impacts the health care industry – including health plans, hospitals, physicians, and other health care professionals, as well as vendors and trading partners (who are all covered entities under the rule).

All covered entities under the rule are responsible for complying with the industry standard that has been adopted to code EDI transactions and paper claims, based on the date of service or discharge date. Claims prior to October 1, 2015, are to be coded in ICD-9 and those on or after October 1, 2015, coded in ICD-10. When sending a transaction to another entity, the entity that is accountable for payment of the claim will bear the responsibility of ensuring that the transaction is coded correctly based on the compliance date.

We will hold our vendors and trading partners accountable to comply with the industry expectation outlined above.

Sagamore will accept electronic and paper claims based on date of service/discharge date and the compliance date, October 1, 2015, which is the industry standard that has been adopted based on CMS guidelines.

- Sagamore will accept electronic & paper claims **based on the date of service for outpatient settings or the date of discharge for inpatient settings**. Claims submitted with dates of service/discharge **prior** to October 1, 2015, will be accepted with ICD-9 codes. Claims submitted with dates of service/discharge on or after October 1, 2015, will be accepted with ICD-10 codes.
- Claims with **dates of service that cross the compliance date, October 1, 2015, will be accepted based on the discharge date**. When the discharge date occurs prior to October 1, 2015, claims will be accepted with ICD-9 codes. When the discharge date occurs on or after October 1, 2015, the claims will be accepted with ICD-10 codes.
- Claims with ICD-9 codes **will be rejected if** submitted with a date of service/discharge on or after October 1, 2015. Claims with ICD-10 codes **will be rejected if** submitted with a date of service/discharge prior to October 1, 2015.
- **Claims submitted with a mix of ICD-9 and ICD-10 codes will be rejected.** Claims should be coded based on date of service or discharge date using the above guidelines.
- **Claims submitted with invalid ICD codes will be rejected.** Invalid codes include non-billable codes, codes that have been terminated outside the dates of service, codes that are not included in the code set, and blanks in the code field(s).