

Diagnosis Code Guidelines

Reimbursement Policy ID: RPC.0029.7700

Recent review date: 02/2023

Next review date: 02/2024

AmeriHealth Caritas Ohio reimbursement policies and their resulting edits are based on guidelines from established industry sources, such as the Centers for Medicare and Medicaid Services (CMS), the American Medical Association (AMA), state and federal regulatory agencies, and medical specialty professional societies. Reimbursement policies are intended as a general reference and do not constitute a contract or other guarantee of payment. AmeriHealth Caritas Ohio may use reasonable discretion in interpreting and applying its policies to services provided in a particular case and may modify its policies at any time.

In making claim payment determinations, the health plan also uses coding terminology and methodologies based on accepted industry standards, including but not limited to Current Procedural Terminology (CPT®), the Healthcare Common Procedure Coding System (HCPCS), and the International Classification of Diseases, 10th Revision, Clinical Modification (ICD-10-CM). Other factors that may affect payment include but are not limited to medical record documentation, legislative or regulatory mandates, a provider's contract, a member's eligibility in receiving covered services, submission of clean claims, and other policies. These factors may supplement, modify, or in some cases supersede reimbursement policies.

This reimbursement policy applies to all healthcare services billed on CMS-1500 forms or its electronic equivalent and, when specified, billed on UB-04 forms or its electronic equivalent.

Policy Overview

The Health Insurance Portability and Accountability Act (HIPAA) required the adoption of specific code sets for diagnoses and procedures to be used in all transactions. Claims for all encounter types, inpatient, outpatient, and professional services require the use of ICD-10-CM diagnosis codes to reflect the diagnosis(es) of the services provided. Diagnosis codes are to be reported to the highest level of specificity based on the documentation in the medical record.

Exceptions

N/A

Reimbursement Guidelines

Diagnosis codes are used to describe the medical condition or conditions that a provider has documented in the medical record. The ICD-10-CM Official Coding Guidelines provide instructions and rules for assigning diagnosis codes.

The Centers for Medicare and Medicaid Services (CMS) and the National Center for Health Statistics (NCHS) review and update the ICD-10-CM Official Guidelines for Coding and Reporting annually along with ICD-10-CM code set. NCHS releases the updated diagnosis code set and guidelines every year. These changes go into effect for services provided beginning on October 1st of each year.

Diagnosis codes are to be used and reported at their highest number of characters available and to the highest level of specificity documented in the medical record. ICD-10-CM diagnosis codes are composed of codes with 3, 4, 5, 6, or 7 characters. Codes with 3 characters are included in ICD-10-CM as the heading of a category of codes that may be further subdivided by the use of fourth and/or fifth characters and/or sixth characters, which provide greater detail. A 3-character code is to be used only if it is not further subdivided. A code is invalid if it has not been coded to the full number of characters required for that code, including the 7th character, if applicable.

Definitions

ICD-10-CM (International Classification of Diseases, Tenth Revision, Clinical Modification)

A system used by physicians and other health care providers to classify and code all diagnoses, symptoms, and procedures recorded in conjunction with hospital care in the United States. It provides a level of detail that is necessary for diagnostic specificity and morbidity classification in the U.S. The ICD-10-CM is based on the ICD-10, the statistical classification of disease published by the World Health Organization (WHO).

Edit Sources

- I. *Current Procedural Terminology (CPT®), Healthcare Common Procedure Coding System (HCPCS®), International Statistical Classification of Diseases (ICD®),* and associated publications and services.
- II. <https://www.cms.gov/files/document/fy-2023-icd-10-cm-coding-guidelines.pdf>
- III. <https://www.cms.gov/Regulations-and-Guidance/Administrative-Simplification/Code-Sets>

Attachments

N/A

Associated Policies

N/A

Policy History

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| 02/14/2023 | Policy Implemented by AmeriHealth Caritas |
| 02/14/2023 | Reimbursement Policy Committee Approval |
| 01/10/2023 | Template updated Revised preamble Removal of Applicable Claim Types table Coding section renamed to Reimbursement Guidelines Added Associated Policies section |