

Reimbursement Policy	
Title: Inappropriate Primary Diagnosis	
Policy Number: RP-P-180X	Application: All Medica members
Last Reviewed: 7/1/2022	Effective Date: 6/22/2013
Related Policies:	

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Summary:
This policy addresses billing guidelines for reporting ICD-10-CM (International Classification of Diseases, 10th Revision, Clinical Modification) codes that should always be sequenced as a secondary or subsequent diagnosis on a CMS 1500 claim form or its electronic equivalent.

Policy Statement:

According to the ICD-10-CM guidelines, certain diagnoses should not be billed as a primary or first listed diagnosis and should always be sequenced as a secondary or subsequent diagnosis. Consistent with CMS, Medica will apply diagnosis coding guidelines that identify codes that should never be billed as a primary diagnosis.

Medica will deny claim lines where an inappropriate diagnosis is pointed to or linked as primary in box 24E (Diagnosis Pointer) on a CMS-1500 claim form or its electronic equivalent.

According to ICD 10 CM guidelines, Inappropriate Primary Diagnosis codes include:

- **External cause codes** (V, W, X or Y codes (ICD-10-CM)) which describe the circumstance causing an injury, not the nature of the injury, and therefore should not be used as a principal diagnosis.
- **Manifestation codes** which describe the manifestation of an underlying disease, not the disease itself, and therefore should not be used as a principal diagnosis.
- **Sequela codes** - A sequela encounter uses the letter S in the 7th position and indicates a late effect that occurs after the acute phase of the injury or illness has passed. When reporting sequela(e) you will need to report two codes. One of those two codes describe the nature of the

sequela (reason for encounter) and one will describe the now-healed illness or injury that led to the current condition. ICD 10 coding guidelines stipulate that the residual should be coded first, followed by the healed illness/injury.

- **Code First** - Some conditions have an underlying etiology and a manifestation due to the underlying etiology. In such cases, ICD-10 coding convention requires the underlying or causal condition be sequenced first followed by the manifested condition.
- Additionally, there are selected codes that describe a circumstance which influences an individual's health status but is not a current illness or injury, or codes that are not specific manifestations but may be due to an underlying cause.

Code Lists:
Inappropriate Primary Diagnosis Code List

Resources:
ICD 10 CM Official Guidelines for Coding and Reporting
Centers for Medicare and Medicaid (CMS)

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Revision Updates: (include 3 years of update information)	
04/08/2024	Code List Update
5/3/2023	Code List Update
7/1/2022	Annual Policy Review and Annual Code update
10/1/2020	Annual Code Update
9/21/2020	Annual Policy Review

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