## Medicare Carriers Manual Part 3 - Claims Process

Department of Health & Human Services (DHHS) Centers for Medicare & Medicaid Services (CMS)

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**CHANGE REQUEST 2721** 

<u>HEADER SECTION NUMBERS</u> <u>PAGES TO INSERT</u> <u>15021.1 (Cont.) - 15021.1 (Cont.)</u> <u>15-32.5 - 15-32.6 (3 pp.)</u> <u>PAGES TO DELETE</u> <u>15-32.5 - 15-32.6 (3 pp.)</u>

NEW/REVISED MATERIAL--EFFECTIVE DATE: October 1, 2003 IMPLEMENTATION DATE: October 1, 2003

<u>Section 15021.1, ICD-9-CM Coding for Diagnostic Tests</u>, deletes the note in Part E due to concerns that the note is confusing and contradicts the Official ICD-9-CM Guidelines for Coding and Reporting.

DISCLAIMER: The revision date and transmittal number only apply to the redlined material. All other material was previously published in the manual and is only being reprinted.

These instructions should be implemented within your current operating budget.

## F. Use of ICD-9-CM To The Greatest Degree of Accuracy and Completeness.--

**NOTE:** This section explains certain coding guidelines that address diagnosis coding. These guidelines are longstanding coding guidelines that have been part of the *Official ICD-9-CM Guidelines for Coding and Reporting*.

The testing facility or the interpreting physician should code the ICD-9-CM code that provides the highest degree of accuracy and completeness for the diagnosis resulting from the test, or for the sign(s)/symptom(s) that prompted the ordering of the test.

In the past, there has been some confusion about the meaning of "highest degree of specificity," and "reporting the correct number of digits." In the context of ICD-9-CM coding, the "highest degree of specificity" refers to assigning the most precise ICD-9-CM code that most fully explains the narrative description in the medical chart of the symptom or diagnosis.

- **EXAMPLE 1:** A chest x-ray reveals a primary lung cancer in the left lower lobe. The interpreting physician should report the ICD-9-CM code as 162.5 for malignancy of the "left lower lobe, bronchus or lung", not the code for a malignancy of "other parts of bronchus or lung" (162.8) or the code for "bronchus and lung unspecified" (162.9).
- **EXAMPLE 2:** If a sputum specimen is sent to a pathologist and the pathologist confirms growth of "streptococcus, type B" which is indicated in the patient's medical record, the pathologist should report a primary diagnosis as 482.32 (Pneumonia due to streptococcus, Group B). However, if the pathologist is unable to specify the organism, then the pathologist should report the primary diagnosis as 486 (Pneumonia, organism unspecified).

In order to report the correct number of digits when using ICD-9-CM, refer to the following instructions:

ICD-9-CM diagnosis codes are composed of codes with 3, 4, or 5 digits. Codes with 3 digits are included in ICD-9-CM as the heading of a category of codes that may be further subdivided by the use of fourth and/or fifth digits to provide greater specificity. Assign three-digit codes only if there are no four-digit codes within that code category. Assign four-digit codes only if there is no fifth-digit subclassification for that category. Assign the fifth-digit subclassification code for those categories where it exists.

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EXAMPLE 3: A patient is referred to a physician with a diagnosis of diabetes mellitus. However, there is no indication that the patient has diabetic complications or that the diabetes is out of control. It would be incorrect to assign code 250 since all codes in this series have 5 digits. Reporting only three digits of a code that has 5 digits would be incorrect. One must add two more digits to make it complete. Because the type (adult onset/juvenile) of diabetes is not specified, and there is no indication that the patient has a complication or that the diabetes is out of control, the correct ICD-9-CM code would be 250.00. The fourth and fifth digits of the code would vary depending on the specific condition of the patient. One should be guided by the code book.

For the latest ICD-9-CM coding guidelines, please refer to the following Web site: <a href="http://www.cdc.gov/nchs/datawh/ftpserv/ftpicd9/ftpicd9.htm#guide">http://www.cdc.gov/nchs/datawh/ftpserv/ftpicd9/ftpicd9.htm#guide</a>.

Refer to the following questions and answers for further guidance on determining the appropriate ICD-9-CM diagnoses codes. The questions and answers appeared in the American Hospital Association's (AHA) Coding Clinic for ICD-9-CM (1st Qtr 2000).

## **EXAMPLES:**

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- Question 1: A skin lesion of the cheek is surgically removed and submitted to the pathologist for analysis. The surgeon writes on the pathology order, "skin lesion." The pathology report comes back with the diagnosis of "basal cell carcinoma." A laboratory-billing consultant is recommending that the ordering physician's diagnosis be reported instead of the final diagnosis obtained by the pathologist. Also, an insurance carrier is also suggesting this case be coded to "skin lesion" since the surgeon did not know the nature of the lesion at the time the tissue was sent to pathology. Which code should the pathologist use to report his claim?
- Answer 1: The pathologist is a physician and if a diagnosis is made it can be coded. It is appropriate for the pathologist to code what is known at the time of code assignment. For example, if the pathologist has made a diagnosis of basal cell carcinoma, assign code 173.3, Other malignant neoplasm of skin, skin of other and unspecified parts of face. If the pathologist had not come up with a definitive diagnosis, it would be appropriate to code the reason why the specimen was submitted, in this instance, the skin lesion of the cheek.
- Question 2: A patient presents to the hospital for outpatient x-rays with a diagnosis on the physician's orders of questionable stone. The abdominal x-ray diagnosis per the Radiologist is "bilateral nephrolithiasis with staghorn calculi." No other documentation is available. Is it correct to code this as 592.0, Calculus of kidney, based on the radiologist's diagnosis?
- Answer 2: The radiologist is a physician and he/she diagnosed the nephrolithiasis. Therefore, it is appropriate to code this case as 592.0, Calculus of kidney.
- Question 3: A patient undergoes outpatient surgery for removal of a breast mass. The pre- and post-operative diagnosis is reported as "breast mass." The pathological diagnosis is fibroadenoma. How should the hospital outpatient coder code this? Previous *Coding Clinic* advice has precluded us from assigning codes on the basis of laboratory findings. Does the same advice apply to pathological reports?

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