

Diagnosis Code Coding Policy

Certain diagnosis codes in ICD-10-CM are not acceptable as a principal or first listed diagnosis. Coding conventions defined in the ICD-10 manual describe these scenarios. The term “principal diagnosis” is used on inpatient facility claims and “first listed diagnosis” is used on outpatient and professional claims. The term “primary diagnosis” will be used in this document to refer to either.

Etiology/Manifestation.

Certain conditions have both an underlying etiology and multiple body system manifestations. Coding conventions require the condition be sequenced first followed by the manifestation. Wherever such a combination exists, there is a “code first” note with the manifestation code and a “use additional code” note with the etiology code in ICD-10. In most cases, the manifestation code will have “in diseases classified elsewhere” in the code title.

Example:

- L62 - Nail disorders in diseases classified elsewhere
- Code first underlying disease, such as: Pachydermoperiostosis (M89.4)
- L62 is not acceptable as a primary diagnosis because instructions require the underlying condition be coded first.

In addition to the ICD-10 manifestation designation, CMS identifies manifestation codes for the Outpatient Code Editor. The CMS manifestation codes may not appear as primary diagnoses on outpatient hospital claims. CMS updates this list quarterly.

Sequelae of Injuries

The residual or late effect of an injury generally requires two codes. The primary diagnosis must describe the nature of the sequela. The secondary diagnosis describes the original injury and usually has an “S” in the 7th position to indicate sequela. (Sequela of cerebrovascular disease is an exception.)

Example:

Treatment of ankle instability following a sprain:

- M24.271 - Disorder of ligament, right ankle
- S93.411S - Sprain of calcaneofibular lig., right ankle, sequela
- S93.411S is not acceptable as a primary diagnosis because instructions require the residual condition be coded first.

Multiple Coding for a Single Condition There are some single conditions that require more than one code. Coding instructions in the ICD-10 manual clearly indicate which must be coded first.

Examples:

- K52.1 - Toxic gastroenteritis and colitis, code first (T51-T65) to identify toxic agent
- Z16. - Resistance to anti-microbial drugs, code first the infection



External Causes of Morbidity

ICD-10 codes in the range V00-Y99 are not acceptable as the primary or first listed diagnosis as they describe the cause of the morbidity, not the condition itself.

Sources

<https://www.cdc.gov/nchs/icd/icd10cm.htm>

CMS Outpatient Code Editor:

<https://www.cms.gov/medicare/coding/outpatientcodeedit>