ICD-10 Specificity

Purpose

This policy is intended to ensure correct provider reimbursement and serves only as a general resource regarding Molina Healthcare's reimbursement policy for the services described in this policy. It is not intended to address every aspect of a reimbursement situation, nor is it intended to impact care decisions. This policy was developed using nationally accepted industry standards and coding principles. In a conflict, federal and state guidelines, as applicable, and the member's benefit plan document supersede the information in this policy. Also, to the extent of conflicts between this policy and the provider contract language, the Provider contract language will prevail. Coverage may be mandated by applicable legal requirements of a State, the Federal government or the Centers for Medicare and Medicaid Services (CMS). References included were accurate at the time of policy approval. If there is a state exception, please refer to the state exception table listed below

Policy Overview

Diagnosis codes should be utilized and reported with the highest number of characters available. It is essential to code to the highest level of specificity supported by the medical record documentation.
The ICD-10-CM system incorporates significantly greater clinical detail and specificity compared to ICD-9-CM, which results in:

- Improved ability to measure healthcare services
- Increased sensitivity for refining grouping and reimbursement methodologies
- Enhanced capacity to conduct public health surveillance
- Reduced need for supporting documentation with claims
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To achieve these objectives, ICD-10 diagnosis codes must be reported to the greatest degree of specificity available, including the 6th and 7th positions when appropriate. Codes for diagnostic tests must be based on findings whenever possible. At a minimum, the ICD-10 diagnosis code submitted on a claim must be at least as specific as the HCPCS/CPT code submitted on the claim.

Example:

In this example, the specificity in the diagnosis code is inadequate. The appropriate diagnosis code is M25.551: Pain in the right hip.

- CPT Code 73502-26RT: Radiologic exam, unilateral hip, professional services, right
- ICD-10 Code M25.559: Pain in unspecified hip

Example:

Coding a fracture of an unspecified finger or toe should be avoided. The correct digit, and if necessary, the phalanx, should be identified.

- ICD-10 Code S62.609A: Fracture of unspecified phalanx, unspecified finger, initial, closed fracture, is not specific enough.

At a minimum, specify which hand and finger:

- ICD-10 Code S62.607A: Fracture of unspecified phalanx, left little finger, initial, closed fracture

For complete specificity:

- ICD-10 Code S62.617A: Displaced fracture of proximal phalanx of left little finger, initial, closed fracture

Documentation History

Type	Date	Action
Effective Date	11/20/2020	New Policy
Revised Date	10/19/2022	Updated codes and links
Revised Date	08/16/2023	Verified links- TP
Revised Date	12/12/2024	Verified links and updated Template

References

Government Agencies

https://www.cms.gov/medicare/coding/icd10

ICD-10 Resources | CMS

FY2022 April1 update ICD-10-CM Guidelines (cms.gov)

2021 ICD-10-CM Guidelines (cdc.gov)

CODING DISCLAIMER. Codes listed in this policy are for reference purposes only and may not be all-inclusive. Deleted codes and codes which are not effective at the time the service is rendered may not be eligible for reimbursement. Listing of a service or device code in this policy does guarantee coverage. Coverage is determined by the benefit document. Molina adheres to Current Procedural Terminology (CPT®), a registered trademark of the American Medical Association (AMA). All CPT codes and descriptions are copyrighted by the AMA; this information is included for informational purposes only. Providers and facilities are expected to utilize industry standard coding practices for all submissions. When improper billing and coding is not followed, Molina has the right to reject/deny the claim and recover claim payment(s). Due to changing industry practices, Molina reserves the right to revise this policy as needed.