ICD-9-CM Coding Guidance for LTC Facilities. Appendix C: Regulatory Guidance for Reporting Diagnoses Related to Reimbursement

In August 2000, the **HIPAA** Transaction and Code Sets required the use of the ICD-9-CM code set. Subpart J, section §162.1002 Medical data code sets, states the adoption of the following code sets as standard medical data code sets:

- ICD-9-CM, volumes 1 and 2 (including the "ICD-9-CM Official Guidelines for Coding and Reporting").

ICD-9-CM, volume 3, Procedures, to be used for hospital inpatients reported by hospitals only. ICD-9-CM procedure codes are never assigned in long-term care facilities.

On January 16, 2009, HHS published the final rule for adoption of ICD-10-CM/PCS as the medical data code sets for implementation on October 1, 2013.

The **Medicare Claims Processing Manual** provides direction on how to comply with the HIPAA Transaction and Code Sets in specific chapters. These include:

Chapter 6, "SNF Inpatient Part A Billing and SNF Consolidated Billing" (Rev. 1757, 06-19-09) Section 30, "Billing SNF PPS Services;" (Rev. 1472, Issued: 03-06-08, Effective: 05-23-07, Implementation: 04-07-08).

SNFs and hospital swing bed providers are required to report inpatient Part A PPS billing data as follows:

- Principal diagnosis code: SNFs enter the ICD-CM code for the principal diagnosis *in the appropriate form locator*. The code must be reported according to Official ICD-CM Guidelines for Coding and Reporting, as required by the Health Insurance Portability and Accountability Act (HIPAA), including any applicable guidelines regarding the use of V codes. The code must be the full ICD-CM diagnosis code, including all five digits where applicable.
- Other diagnosis codes required: The SNF enters the full ICD-CM codes for up to eight additional conditions in the appropriate form locator. Medicare does not have any additional requirements regarding the reporting or sequence of the codes beyond those contained in the ICD-CM guidelines.

Chapter 23, Fee Schedule Administration and Coding Requirements (Rev. 1717, 04-26-09), Section 10, "ICD-9-CM Diagnosis and Procedure Codes" (Rev. 1472, Issued: 03-06-08, Effective: 05-23-07, Implementation: 04-07-08), 10.2, "Relationship of ICD-9-CM Codes and Date of Service."

- ICD-9-CM and its "Official ICD-9-CM Guidelines for Coding and Reporting" have been selected as the approved coding set for entities covered under the Health Insurance Portability and Accountability Act (HIPAA) for reporting diagnoses and inpatient procedures (hospitals).
- Proper coding is necessary on Medicare claims because codes are generally used to assist in determining coverage and payment amounts.

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