

ICD-9 Coding Rules & Reminders for Clinical Laboratories

Rule 1: Only Submit Diagnoses Obtained from the Ordering Physician

Clinical laboratories should obtain all diagnosis information submitted on claims to Medicare or Medicaid from the ordering physician. Unlike pathologists and radiologists, clinical laboratories may not alter the diagnosis based on the findings of the test or procedure.

Medicare regulations require ordering physicians to include either ICD-9 codes or narrative diagnosis information with each and every order for laboratory tests. The Balanced Budget Act of 1997 expanded this requirement to also include non-physician practitioners such as physician assistants, nurses, and other laboratories.

Rule 2: Accurately Translate All Narrative Diagnosis Information

If an ordering physician includes only a narrative diagnosis in the order for lab tests, the laboratory may translate that narrative into an ICD-9 code. However, the lab must take care to accurately translate the diagnosis information by employing an individual with adequate coding experience.

Program Memorandum Transmittal AB-02-030 further states,

"If a laboratory receives a requisition with a narrative description rather than an ICD-9-CM as the diagnosis, the laboratory may translate the narrative to the appropriate ICD-9-CM diagnosis code. The narrative does not have to exactly match the description of the submitted ICD-9-CM."

If the ordering physician provides an ICD-9 code, rather than a narrative diagnosis, the laboratory must use that code for claim submissions.

Rule 3: Missing Diagnosis Information

If a laboratory receives an order without diagnosis information, the laboratory must contact the ordering physician to obtain this information before submitting a claim to Medicare or Medicaid. The laboratory may not assign diagnosis information on its own. The laboratory should document receipt of any diagnosis information obtained after the requisition, test order, or specimen.

Rule 4: Prohibited Practices

The OIG's Compliance Guidance for Clinical Laboratories (August, 1998) contains several examples of practices that laboratories should not follow. Specifically, the OIG warns laboratories NOT to:

1. use information provided by a physician from earlier dates of service (other than appropriate standing orders).
2. create diagnosis information that has triggered reimbursement in the past.
3. use computer programs that automatically insert ICD-9 codes without first receiving diagnosis information from the ordering physician.
4. "make up information for claim submission purposes."

Reference Link for CMS Memorandum Transmittal AB-02-030:

http://www.cms.hhs.gov/manuals/pm_trans/AB02030.pdf