

**DEPARTMENT OF SOCIAL SERVICES**

DIVISION OF MEDICAL SERVICES

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**Strong Families - South Dakota's Foundation and Our Future**

October 30, 2015

**ATTENTION: South Dakota Medicaid Providers**

**FROM: South Dakota Medicaid**

**RE: ICD-10 Update**

**Diagnosis Code Qualifiers on Electronic Claims:**

CMS has published a [FAQ](#) about the use of Diagnosis Code Qualifiers on Electronic claims. Qualifiers are those data elements that indicate whether a claim's diagnosis code is ICD-9 or ICD-10. As a reminder:

- Claims with ICD-10 diagnosis codes must use ICD-10 qualifiers; all claims for services on or after October 1, 2015, must use ICD-10 codes
- Claims with ICD-9 diagnosis codes must use ICD-9 qualifiers; only claims for services before October 1, 2015, can use ICD-9 codes

**In-State Inpatient DRG weights released:**

**This message pertains to in-state inpatient DRG hospitals only.** The South Dakota Medicaid program has developed the tentative weights and threshold amount for DRG Grouper 33 for Inpatient hospital claims effective October 1, 2015. The new weights and threshold amount can be found at

<http://dss.sd.gov/medicaid/providers/feeschedules/dss/> . The Department will continue to analyze the data for DRG Grouper 33 claims and will plan to finalize the weights for State Fiscal Year 2016, by January 1, 2016.

**Information regarding diagnosis related HIPAA Adjustment Remark Codes**

- The following HIPAA Adjustment Remark Codes on the Remittance Advice mean that the reported diagnosis code may be absent or invalid for that field or may require additional characters. Some codes cannot be used at the "header" level. Example: F1720 is not valid as it requires 6 digits, so F17200 or F17201 would be valid codes. These more specific codes can be determined by reviewing your medical records.
  - M64 - Missing/incomplete/invalid other diagnosis
  - M76 - Missing/incomplete/invalid diagnosis or condition.
  - MA65 - Missing/incomplete/invalid admitting diagnosis
- MA63 - Missing/incomplete/invalid principal diagnosis means that the first listed or principal diagnosis on the claim cannot be used as a first listed or principal diagnosis. Review your coding manuals for how to use this code. A different code will need to be billed as first listed or principal diagnosis on the claim.

## Resolving claim denials for diagnosis and procedure code errors:

- The "ICD Indicator" on the claim form (Box 21) MUST be filled in, if a diagnosis is present on the claim. The field value (9 or 0) will indicate whether the code set used is ICD-9 or ICD-10.
- Check your coding resources to ensure that the code billed actually exists, and that you are using it appropriately. Some codes can only be used in specific ways.
- Use a coding resource (like ICD10data.com or a coding book) to validate codes.
- The code used may need another code billed with it for clarity or additional information Refer to your coding resources for instructions.
- Avoid "unspecified" as a diagnosis unless it is necessary - be as detailed as the medical record permits.
- The code may be the wrong code-set for the date of service.
  - Services rendered on or after 10/1/2015 must be coded using the ICD-10 code-set.
  - Inpatient services for discharge dates on or after 10/1/2015 must also use the ICD-10 code-set.
  - South Dakota does not use the date of discharge when calculating payments for UB-04 claims (Inpatient, Outpatient, and Long Term Care). If the date of discharge on the claim is 10/01/2015, you must use the ICD-9 code set.
- Check for typos or clear handwriting. ICD-10 codes are alpha-numeric and some characters can look like others if not typed or written clearly. Examples include: 0 and O, 1 and l, 5 and S, 4 and 9 can look similar on paper claims.
- South Dakota encourages providers to file electronically. If you are unable to file electronic claims it is best to send in type-written paper claims, not handwritten.

## Resources:

- SD Medicaid Project Website: [www.dss.sd.gov/icd10](http://www.dss.sd.gov/icd10)
- SD Medicaid ICD-10 Webinars: <http://dss.sd.gov/medicaid/providers/icd10training.aspx>
- SD Medicaid Updated Billing Manuals: <http://dss.sd.gov/medicaid/providers/billingmanuals/>

## Contact Information:

- Telephone Services Unit
  - (800) 452-7692 –In-State
  - (605) 945-5006 –Out-of-State
- SD Medicaid ICD-10 Mailbox:
  - [ICD10@state.sd.us](mailto:ICD10@state.sd.us)

Thank you,

South Dakota Medicaid