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3 Title: ICD-10 Coding, Site Laterality, and Denial of Claims
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5 Introduced by: David Whalen, MD, for Kent County Medical Society
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7 Original Authors: Megan Edison, MD and David Whalen, MD
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9 Referred To: Reference Committee A
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11 House Action: **DISAPPROVED**
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14 Whereas, ICD-10 coding allows for significant specificity with an alphanumeric coding
15 system, and

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17 Whereas, the ICD-10 coding specificity addresses acuity, initial/subsequent encounters, site
18 laterality, and complications, and

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20 Whereas, ICD-10 specificity is relevant and has guidance and rules for assigning Diagnostic
21 Related Group (DRG) for inpatient facility coding, this specificity, guidance, and rules are not
22 intended for professional claim coding, and

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24 Whereas, designating site laterality (i.e., right-sided, left-sided, bilateral, or unspecified) on
25 the professional claim often does not change the treated condition, acuity, medical decision
26 making, or planned treatment, and

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28 Whereas, appropriate health care has usually been provided and documented in the
29 electronic medical record even if site laterality has not been specified in the ICD-10 condition code
30 submitted on the professional claim (i.e., the work has been done and should be reimbursed), and

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32 Whereas, ICD-10 coding guidance allows unspecified laterality as a valid diagnosis code
33 under certain conditions, and

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35 Whereas, third party professional claim forms require a Current Procedural Terminology
36 code to determine payment amount, and an ICD-10 code to support the medical need for the
37 professional service does not impact payment for the service, and

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39 Whereas, third party payor denials of payable professional claims add unnecessary
40 administrative cost to the health care system, and

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42 Whereas, third party payors are often denying insurance claims and payment for
43 professional services if an unspecified code is used rather than specifying laterality, even though
44 this level of specificity plays no role in the complexity of medical decision making and even though
45 site laterality is usually documented within the electronic medical record; therefore, be it

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47 RESOLVED: That MSMS advocate with third party payors in the State of Michigan to
48 reimburse insurance claims with reasonable documentation, even if site laterality is unspecified;
49 and, be it further

50 RESOLVED: That the Michigan Delegation to the American Medical Association (AMA)
51 advocate with the AMA to ban third party payors from denial of insurance claims for professional
52 services based solely on lack of site laterality specification in the ICD-10 code used for billing.
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55 WAYS AND MEANS COMMITTEE FISCAL NOTE: \$1,000-\$2,000

Relevant MSMS Policy: None

Relevant AMA Policy:

Opposing Coverage Decisions Based Solely on ICD-10 Code Specificity H-70.914

Our AMA opposes limitations in coverage for medical services based solely on diagnostic code specificity.