



ICD-10 First Listed Diagnosis Coding Policy

ICD-10 Diagnosis Code Sequencing Overview

Principal or First Listed

Certain diagnosis codes in ICD-10-CM are not accepted as a principal or first listed diagnosis. Coding conventions defined in the ICD-10 manual describe these scenarios. The term “principal diagnosis” is used on inpatient facility claims and “first listed diagnosis” is used on outpatient and professional claims. The term “primary diagnosis” will be used in this document to refer to either.

Etiology/Manifestation

Certain conditions have both an underlying etiology and multiple body system manifestations. Coding conventions require the condition be sequenced first followed by the manifestation. Wherever such a combination exists, there is a “code first” note with the manifestation code and a “use additional code” note with the etiology code in ICD-10. In most cases, the manifestation code will have “in diseases classified elsewhere” in the code title.

Example:

- L62 – Nail disorders in diseases classified elsewhere

Code first underlying disease, such as, Pachydermoperiostosis (M89.4). L62 is not accepted as a primary diagnosis because instructions require the underlying condition to be coded first.

In addition to the ICD-10 manifestation designation, CMS identifies manifestation codes for the Outpatient Code Editor. The CMS manifestation codes may not appear as primary diagnoses on outpatient hospital claims. CMS updates this list quarterly.

Sequelae of Injuries

The residual or late effect of an injury generally requires two codes. The primary diagnosis must describe the nature of the sequela. The secondary diagnosis describes the original injury and usually has an “S” in the 7th position to indicate sequela. (Sequela of cerebrovascular disease is an exception.)

Example:

- Treatment of ankle instability following a sprain: M24.271 - Disorder of ligament, right ankle
- S93.411S - Sprain of calcaneofibular lig., right ankle, sequela

S93.411S is not accepted as a primary diagnosis because instructions require the residual condition be coded first.



Multiple Coding for a Single Condition.

There are some single conditions that require more than one code. Coding instructions in the ICD-10 manual clearly indicate which must be coded first.

Examples:

- K52.1 - Toxic gastroenteritis and colitis - Code first (T51-T65) to identify toxic agent
- Z16. - Resistance to anti-microbial drugs- Code first the infection

External Causes of Morbidity

ICD-10 codes in the range V00-Y99 are not accepted as the primary or first listed diagnosis as they describe the *cause* of the morbidity, not the condition itself.

Sources

ICD-10-CM Official Guidelines for Coding and Reporting:
http://www.cdc.gov/nchs/data/icd/10_cmguidelines2020_final.pdf

CMS Outpatient Code Editor:
<https://www.cms.gov/Medicare/Coding/Outpatientcodeedit/index.html>