

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 11746	Date: December 15, 2022
	Change Request 13034

SUBJECT: April 2023 Update to the Medicare Severity – Diagnosis Related Group (MS-DRG) Grouper and Medicare Code Editor (MCE) Version 40.1 for the International Classification of Diseases, Tenth Revision (ICD-10) Diagnosis Codes for Collection of Health-Related Social Needs (HRSNs) and New ICD-10 Procedure Coding System (PCS) Codes

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to implement new ICD-10-Clinical Modification (CM) codes for collection of health-related social needs (HRSNs) and also introduces new ICD-10-PCS codes to the Medicare Severity – Diagnosis Related Groups (MS-DRG) Grouper and Medicare Code Editor (MCE) version 40.1, effective for discharges on and after April 1, 2023.

This Recurring Update Notification applies to chapter 3, section 20.3.4.

EFFECTIVE DATE: April 1, 2023

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: April 3, 2023

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Recurring Update Notification

Attachment - Recurring Update Notification

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EFFECTIVE DATE: April 1, 2023

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IMPLEMENTATION DATE: April 3, 2023

I. GENERAL INFORMATION

A. Background: In an effort to better enable the collection of health-related social needs (HRSNs), defined as individual-level, adverse social conditions that negatively impact a person's health or healthcare, are significant risk factors associated with worse health outcomes as well as increased healthcare utilization, the Centers for Disease Control and Prevention's (CDC) National Center for Health Statistics (NCHS) is implementing 42 new diagnosis codes into the International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM), for reporting effective April 1, 2023. The Centers for Medicare & Medicaid Services (CMS) is also implementing 34 new procedure codes into the International Classification of Diseases, Tenth Revision, Procedure Coding System (ICD-10-PCS), effective April 01, 2023.

The ICD-10 MS-DRG Grouper assigns each case into an MS-DRG based on the reported diagnosis and procedure codes and demographic information (age, sex, and discharge status).

The ICD-10 MCE Version 40.1 uses edits for the ICD-10 codes reported to validate correct coding on claims for discharges on or after April 1, 2023.

The ICD-10 MS-DRG Grouper software package to accommodate these new codes, Version 40.1, is effective for discharges on or after April 1, 2023.

The ICD-10 MS-DRG V40.1 Grouper Software, Definitions Manual Table of Contents and the Definitions of Medicare Code Edits V40.1 manual will be available at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/MS-DRG-Classifications-and-Software.html>

The Index and Tabular Addenda for the new diagnosis codes will be available via the CDC website at: <https://www.cdc.gov/nchs/icd/Comprehensive-Listing-of-ICD-10-CM-Files.htm>

B. Policy: There is no policy change. Current policy is available in the Claims Processing Manual Publication (Pub.) 100-04, Chapter 3, Section 20.2.1 - Medicare Code Editor (MCE) and 20.2.2 - DRG GROUPE Program.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility							
		A/B MAC		H H H	D M E M A C	Shared- System Maintainers			Other
		A	B			F I S S	M C S	V M S	
13034.1	The Medicare contractor shall install and edit claims with the MS-DRG Grouper and MCE version 40.1 software with the implementation of the April 2023 quarterly release for dates of discharge on and after April 1, 2023.					X			

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility					
		A/B MAC			D M E M A C	C E D I	I
		A	B	H H H			
13034.2	Medicare Learning Network® (MLN): CMS will market provider education content through the MLN Connects® newsletter shortly after CMS releases the CR. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 instructions for distributing the MLN Connects newsletter information to providers and link to relevant information on your website. You may supplement MLN content with your local information after we release the MLN Connects newsletter. Subscribe to the “MLN Connects” listserv to get MLN content notifications. You don’t need to separately track and report MLN content releases when you distribute MLN Connects newsletter content per the manual section referenced above.	X					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Yvette Rivas, yvette.rivas@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0