Sleeve Gastrectomy ICD-9 Coding and DRG Mapping
New Ruling Published

Issue:

The laparoscopic sleeve gastrectomy procedure (CPT code 43775) for the surgical treatment of obesity had an ICD-9 procedure code (43.89) that it was not mapped to the obesity surgery DRG codes 619-621 when the patient diagnosis is morbid obesity (278.01). And actually, this diagnosis code was not assigned to any DRG, so as a default the mapping automatically assigned an "unrelated" OR DRG (DRG's 981-983). This lack of appropriate DRG assignment was reflected in the MS-DRG software used by many hospitals and insurance companies. This issue created confusion and inappropriate coding or reimbursement issues with this procedure in some hospitals. In November 2010, the ASMBS requested CMS to address this issue and assign the appropriate obesity surgery DRG's 619-621 to the sleeve gastrectomy ICD-9 code (43.89).

CMS New Ruling:

The HIPPS (Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals) final rule display copy was published earlier this week with information about the revised ICD-9 codes for laparoscopic and open sleeve gastrectomy. Effective October 1, 2011, CMS will be assigning Laparoscopic Sleeve Gastrectomy to ICD 43.82 and Open Sleeve Gastrectomy to ICD 43.89. Both of these ICD-9 codes will be grouped to DRG 619, 620 and 621 (OR procedures for obesity).

It is important to note that laparoscopic sleeve gastrectomy remains a non-approved procedure by CMS National Coverage Determination. So, the procedure code 43.82 will be added to the "Noncovered Procedures" edit of the Medicare Code Editor (MCE). Because procedure code 43.89 includes several gastrectomy procedures, its inclusion in the MCE would be inappropriate. Therefore, it will not be placed on the MCE.

We expect the update on the MS-DRG software to be applied later this year and solve any confusion and inappropriate coding and reimbursement issues with this procedure.

Jaime Ponce MD, FASMBS
Chair, ASMBS Insurance Committee