Medi-Cal Rx

Reminder: Include ICD-10-CM Diagnosis Codes on Pharmacy Claims

February 9, 2026

Background

The Department of Health Care Services (DHCS) uses *International Classification of Diseases – 10th Revision, Clinical Modification* (ICD-10-CM) diagnosis codes, in conjunction with other information on pharmacy claims, to monitor trends in pharmacy utilization data and to identify opportunities for both policy improvements and additional utilization management (UM) controls to support a safer, more appropriate use of medications.

What Pharmacy Providers and Prescribers Need to Know

Effective fall 2026, ICD-10-CM diagnosis code(s) will be required for pharmacy claim adjudication to better implement appropriate UM controls, including prior authorization (PA) requirements. This policy will apply to all pharmacy claims submitted on and after the implementation date, including claims for refills. This will help to ensure and promote clinical appropriateness, essential need, efficacy, member safety, and quality of care. The *California Code of Regulations* (CCR), Title 22, Section 51502 requires that all billing forms, including both medical and pharmacy claim forms, include, among other key required prescription requirements, "[a] coded description of each diagnosis, in a form prescribed by the Director." In addition, per CCR, Title 22, Section 51502(d), "the Department may also require additional documentation to determine the medical necessity of services before paying for services under Medi-Cal."

In recognition of the need for systems coordination, Medi-Cal Rx has initiated a robust education and outreach campaign to support stakeholder understanding and adoption. More detailed information including the implementation plan and resources will be published on the new ICD-10-CM Code Requirements tab on the Education & Outreach page. The Emergency Fill policy will remain in effect and will not be impacted by this requirement. For more information about the Emergency Fill policy, refer to the *Emergency Fills* section in the *Medi-Cal Rx Provider Manual*.

What Pharmacy Providers and Prescribers Need to Do

To prepare for this upcoming change and ensure clinical appropriateness and UM controls are in place, DHCS strongly encourages pharmacy providers and prescribers to complete the following actions:

- Prescribers should provide the appropriate ICD-10-CM diagnosis code(s) with the prescription to ensure pharmacy providers have access to the information and document the ICD-10-CM diagnosis code(s) in the member's electronic health record for auditing purposes.
- Pharmacy providers should immediately begin including ICD-10-CM diagnosis code(s) on pharmacy claim submissions. Pharmacy providers may contact the prescriber if the ICD-10-CM diagnosis code(s) is not listed on the prescription.
    - » **Medi-Cal Rx accepts up to five ICD-10-CM diagnosis codes on submitted pharmacy claims.**

Notes:

- DHCS currently requires ICD-10-CM diagnosis codes for a specific subset of drugs/products on the *Medi-Cal Rx Contract Drug List* (CDL). Refer to the CDL and the lists on the Contract Drugs & Covered Products List page for drug-specific requirements.
- Claims for drugs with Code I ICD-10-CM diagnosis code requirements for specific conditions are denied if the appropriate/required ICD-10-CM diagnosis code is not included.
- As of the date of implementation, all pharmacy claims will require an ICD-10-CM diagnosis code for adjudication. Claims without an ICD-10-CM diagnosis code will deny, and pharmacy providers must resubmit the claim with all of the required information.
- The ICD-10-CM diagnosis code(s) reported on the pharmacy claim should match the prescriber-reported ICD-10-CM diagnosis code(s) for that prescription. Some pharmacy point-of-sale (POS) software automatically populates ICD-10-CM diagnosis codes submitted on electronic prescriptions, but as a best practice, pharmacy providers and prescribers should verify this information is included with all claims.

Contact Information

You can call the Medi-Cal Rx Customer Service Center (CSC) at 1-800-977-2273, which is available 24 hours a day, 7 days a week, 365 days per year.

For other questions, email Medi-Cal Rx Education & Outreach at MediCalRxEducationOutreach@primetherapeutics.com.