

REIMBURSEMENT POLICY STATEMENT

Michigan Medicaid

Policy Name & Number	Date Effective
Diagnostic Colonoscopy and/or Sigmoidoscopy-MI MCD-PY-1603	09/01/2026
Policy Type	
REIMBURSEMENT	

Reimbursement Policies are intended to provide a general reference regarding billing, coding, and documentation guidelines. Coding methodology, regulatory requirements, industry-standard claims editing logic, benefits design, and other factors are considered in developing Reimbursement Policies. Reimbursement Policies do not guarantee authorization or payment for services. Coverage and payment determinations are subject to member benefits and eligibility on the date of service, medical necessity, adherence to plan policies and procedures, claims editing logic, provider contractual agreements, and applicable referral, authorization, notification, and utilization management guidelines.

Please refer to the plan contract (e.g., Evidence of Coverage, Member Handbook) for the service(s) referenced herein. Except as otherwise required by law, if there is a conflict between the Reimbursement Policy and the plan contract and/or provider agreement, then the plan contract and/or provider agreement will be the controlling document used to make the determination. Reasonable discretion may be used in interpreting and applying this policy to services provided in a particular case and the policy may be modified at any time. Reimbursement policies may be superseded by federal and state laws and regulations, as applicable. In the case of a discrepancy between the Policy Statement's effective date and any applicable legal or regulatory requirement, the law or regulation will govern.

Coverage for mental health and substance use disorder (MH/SUD) benefits are provided at the same level as coverage for medical and surgical (M/S) benefits, as required by the Mental Health Parity and Addiction Equity Act (MHPAEA). MH/SUD benefits are not subject to limits or requirements that are more restrictive than those that apply to M/S benefits.

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A. Subject

Diagnostic Colonoscopy and/or Sigmoidoscopy

B. Background

Colonoscopies and sigmoidoscopies pertain to procedures that involve direct visual examination of the lower gastrointestinal tract using a flexible tube fitted with a camera. The procedures identify polyps, tumors, and other intestinal irregularities or health issues and are performed by medical professionals, typically gastroenterologists or colorectal surgeons. Both procedures are valuable tools in diagnosing and monitoring gastrointestinal conditions. Specific clinical indications and area of examination determine which procedure will be utilized.

There are different billing procedures for screening versus diagnostic colonoscopies and sigmoidoscopies. Screening procedures are typically performed as part of preventive services for cancer or other health issues. Diagnostic procedures may be performed in the presence of symptoms, abnormal findings, prior abnormal screening results, or other clinical indications. Some screening procedures can become diagnostic procedures when abnormal findings are identified requiring intervention, biopsy, polypectomy, or additional evaluation. Both screening and diagnostic procedures utilize the same equipment, so providers must maintain thorough documentation in the member's medical record to substantiate medical necessity of these tests and differentiate between screening and diagnostic tests.

This policy exclusively pertains to diagnostic colonoscopies and does not apply to preventive screenings that follow US Preventive Services Task Force (USPSTF) or other preventive guidelines. Refer to the appropriate Healthcare Common Procedure Coding System (HCPCS) and Current Procedural Terminology (CPT) codes for screenings (ie, G0104, G0105, G0121). Providers are encouraged to use modifiers when procedures meet modifier criteria.

C. Definitions

- **Colonoscopy** – A procedure in which a provider inserts a flexible tube fitted with a camera through the anus into the rectum to examine the entire length of the colon from the rectum to the cecum and may include the terminal ileum allowing for screening and diagnosis of health issues.
- **Sigmoidoscopy** – A procedure similar to a colonoscopy that examines the lower third of the large intestine, the rectum, sigmoid colon and possibly a portion of the descending colon, for screening and diagnosing health conditions.

D. Policy

- I. HAP CareSource requires appropriate documentation of medical necessity and valid diagnosis codes for reimbursement of diagnostic colonoscopies and sigmoidoscopies. Claims submitted without supporting medical necessity or correct coding will be denied. The Michigan Department of Health and Human Services (MDHHS) *Medicaid Provider Manual* outlines documentation requirements.

- II. HAP CareSource follows MDHHS guidelines regarding billing for diagnostic colonoscopies and sigmoidoscopies.
 - A. Reimbursement requests must include a procedure code with a diagnosis code that best describes the condition for which the service was performed.
 - B. If the service begins as a screening procedure but results in a diagnostic or therapeutic procedure at the same operative session, health care providers should report an appropriate screening International Classification of Diseases (ICD) diagnosis code as the primary diagnosis and the diagnostic or abnormal finding ICD diagnosis code as the secondary or subsequent diagnosis.
 - C. If the member is symptomatic or the claim for these services indicates a primary diagnosis of something other than preventive or wellness, colonoscopy examinations will be covered under a diagnostic benefit, not a Preventive Health Care Services benefit.

E. Conditions of Coverage

- I. ICD-10 codes must be coded to the highest level of specificity. MDHHS uses the Medicaid National Correct Coding Initiative (NCCI) policies and edits.
- II. HAP CareSource reserves the right to request medical record documentation from providers.

F. Related Policies/Rules

Medical Necessity Determinations
Modifiers

G. Review/Revision History

DATE		ACTION
Date Issued	03/26/2025	New policy. Approved at Committee.
Date Revised	06/17/2026	Review: updated background and references. Approved at Committee.
Date Effective	09/01/2026	
Date Archived		

H. References

1. American Society for Gastrointestinal Endoscopy Standards of Practice Committee; Early DS, Ben-Menachem T, Decker G, et al. Appropriate use of GI endoscopy. *Gastrointest Endosc.* 2012;75(6):1127-1131. doi:10.1016/j.gie.2012.01.1
2. Colonoscopy ACG: A-0129. MCG. 30th ed. Updated January 25, 2026. Accessed June 12, 2026. www.careguidelines.com
3. Colonoscopy. American Cancer Society. Updated February 3, 2026. Accessed April 30, 2026. www.cancer.org
4. Diagnostic X-Ray Tests, Diagnostic Laboratory Tests, and Other Diagnostic Tests: Conditions. 42 CFR § 410.32 (2025).
5. Flexible sigmoidoscopy. Mayo Clinic. Updated July 9, 2024. Accessed April 30, 2026. www.mayoclinic.org

6. *Medicaid Provider Manual*. Michigan Department of Health and Human Services. Updated April 1, 2026. Accessed April 30, 2026. www.mdch.state.mi.us
7. Sigmoidoscopy ACG: A-0128. MCG. 30th ed. Updated January 25, 2026. Accessed June 12, 2026. www.careguidelines.com