



American Academy
of Value Based Care

AAVBC Dementia/Major Neurocognitive Disorder Quick Reference Guide

2026

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1. CLINICAL SNAPSHOT

Definition: Dementia is an overarching term for a clinical syndrome caused by underlying brain disease(s) leading to progressive decline in mental ability, characterized by a loss of cognitive function that goes beyond normal aging. These changes affect memory, thinking, and functional abilities, ultimately interfering with activities of daily living and independence.¹⁻³

Note: According to the updated DSM-5 criteria, Dementia is now called Major Neurocognitive Disorder (MND). As the term "dementia" is widely used in both societal and medical contexts, this topic will refer to the condition as Dementia.

ICD-10 Codes:^{4, 5}

As of 2024, ICD-10-CM dementia codes use a structured modifier system to capture both severity and behavioral features:

ICD-10 Codes	Severity (4th character)	Behavioral / Psychiatric Features (5th character)
F01 – Vascular dementia	.A – Mild dementia	.X0 – Without behavioral disturbance .X1 – With agitation .X2 – With psychotic disturbance (e.g., hallucinations, paranoia)
F02 – Dementia in other diseases	.B – Moderate dementia	.X3 – With mood disturbance (e.g., depression, apathy) .X4 – With anxiety .X18 – With other behavioral disturbance (e.g., wandering, disinhibition)
F03 – Unspecified dementia	.C – Severe dementia	

Etiology and F-codes: G30 Alzheimer's Disease (G30.0 early onset, G30.1 late onset, G30.8 other Alzheimer's Disease, G30.9 Alzheimer's unspecified); Lewy Body Dementia G31.83; Frontotemporal Dementia G31.09; Pick's Disease G31.01. Simply documenting G30.1 is **insufficient** to capture the RAF. Must include clinical evidence supporting "Mild," "Moderate," or "Severe" to justify the F02.A/B/C code used for HCC mapping.

Example: **F03.B1** = Unspecified dementia, **moderate, with agitation** **F02.C3** = Dementia in other disease, **severe, with mood disturbance**.

HCC/RAF V28 Mapping:^{4, 5} **HCC 125** (Dementia Severe) F01.CX, F02.CX, F03.CX, with RAF (0.341); **HCC 126** (Dementia Moderate) F01.BX, F02.BX, F03.BX, with RAF (0.341); **HCC 127** (Dementia Mild or Unspecified) F01.AX, F02.AX, F03.AX, with RAF (0.341).

Prevalence: ^{3,6}

- **Dementia (all-cause)** rises sharply with age: Approximately **1 in 9** people (11%) aged 65 and older has Alzheimer's dementia⁶
- Estimated **7.2 million U.S. adults ≥65 live** with Alzheimer's dementia
- Significant health disparities exist; Older Black Americans are about **twice as likely** to have Alzheimer's or other dementias as older White Americans
- ~5% of Americans 65–74, 13% of those 75–84, and 33% of those ≥85 have Alzheimer's dementia⁶
- Women are disproportionately affected – nearly **two-thirds** of Americans with Alzheimer's dementia are women (approximately 12% of women ≥65 vs 10% of men)

Cost Burden: ^{3, 6, 7}

- Total annual payments for health care, long-term care, and hospice for Americans ≥65 with dementia are **\$384 billion in 2025**
- Significantly increases per-patient Medicare spending (**nearly 3× vs without dementia**)
- The individual lifetime cost to care for an individual with dementia was nearly \$200,000 more than an individual without dementia

Dementia is a progressive, functional-impairing syndrome that affects over 7.2 million US seniors. Due to its high prevalence (1/3 of adults 85+) and the associated 3x higher Medicare costs, early and accurate diagnosis is essential. Identifying the condition early and in the primary care setting ensures patients are directed toward timely intervention, robust care planning, and supportive community resources, which are the fundamental elements of a high-value care system.^{3, 6, 7}

2. RECOGNITION & DIAGNOSIS

Early recognition of dementia in patients ≥65 is essential. Value-based clinicians should leverage Medicare's screening benefits, identify subtle signs, and differentiate dementia from other conditions. Prompt diagnosis (using standardized criteria) enables timely intervention, proper coding, and alignment with care quality metrics.

Medicare and DETeCD-ADRD 2025 Screenings (≥65 yr, at-risk population)^{2, 8,9}

- **DETeCD-ADRD: Diagnostic Evaluation, Testing, Counseling, and Disclosure for Alzheimer's Disease and Related Dementias 2025²**

Test / Workflow	Purpose / When To Use	Who Covers /Endorses	CPT Code(s)	Notes
Annual Wellness Visit (AWV)	Brief cognitive screen / Annually (12-month interval)	CMS	00438 (Initial) 00439 (Subsequent)	Includes required detection of cognitive impairment. May use Mini-Cog, GPCOG, etc...

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