



Topic of the Month- June 2015

MedStar Family Choice-Maryland HealthChoice Product

MedStar Family Choice-District of Columbia Healthy Families and HealthCare Alliance

National Correct Coding Initiative and Outpatient Coding Edits

The National Correct Coding Initiative (NCCI) is a program developed by the Center for Medicare and Medicaid Services (CMS) that consists of coding policies and edits. NCCI edits address correct coding combinations submitted by a provider for multiple services in regards to the same patient, on the same anatomic site and on the same date of service. There are two types of edits: procedure to procedure edits and medically unlikely edits (MUEs). Procedure to procedure edits make certain that CPT and/or HCPCS codes billed together are eligible for separate reimbursement and medically unlikely edits (MUEs) ensure that the appropriate number of units for a particular service were billed. MedStar Family Choice claims processing center utilizes CCI edit software from Optum so that providers are reimbursed for services in accordance with the NCCI procedure to procedure edits. We also expanded our existing NCCI edits to include the MUEs for professional claims and some types of outpatient facility claims. This logic includes a maximum number of units of service for each HCPCS/CPT code. Claims that do not meet criteria set in the CCI edit software are denied. Instances when a claim is denied because of NCCI procedure to procedure edits include, but are not limited to:

- Mutually exclusive codes that cannot be reported together were billed.
- Unbundling of codes when a single comprehensive CPT code is available.

Since 2010, MFC has been using the NCCI methodologies in place for Medicare Part B because these methodologies are compatible with methodologies for Medicaid claims. MedStar Family Choice has removed the requirement for a 25 modifier on injections with E&M Visit Codes and for Pulse Oximetry monitoring with E&M Visit Codes. Effective July 5, 2015, MFC is incorporating CMS/Medicaid MUEs into our policies. Therefore, additional MUEs that are compatible with Medicaid will be applied even though they are not applied by Medicare. Please keep in mind that many procedure codes have CCI edits associated with them. Providers should use applicable modifiers when services are in fact separate and independent from each other in order for claims to be processed and paid as separate procedures. Since modifiers can be used to bypass CCI edits, MedStar Family Choice monitors their use. Therefore, if a modifier is to be used to bypass CCI edits, it is imperative that providers clearly document and explain the circumstances of the services that were provided in the member's chart. The documentation must clearly show that the procedure code and modifier met the conditions for separate billing. At this time, coding edits affect professional and outpatient claims submitted on CMS-1500 forms, as well as outpatient facility claims submitted on UB-04 (CMS-1450) forms.

For Maryland Health Choice Providers, It was determined by the Department of Health and Mental Hygiene (DHMH) (in conjunction with CMS) that procedure to procedure edits for outpatient hospital claims regulated by the Health Services Cost Review Commission are not permissible. The DHMH clarified that the only outpatient coding edits that must be implemented for regulated outpatient hospital claims are a subset of edits identified under the CMS Integrated Outpatient Coding Edits (I/OCE). Visit **[CMS.gov/OutpatientCodeEdit/Downloads/Attachment_A_IOCE_Specifications_Document_V113.pdf](http://www.cms.gov/OutpatientCodeEdit/Downloads/Attachment_A_IOCE_Specifications_Document_V113.pdf)** for a detailed listing of permissible edits. Pages 12 to 13 of that document include a listing of OCEs. Those marked with a "Y" in the "Non-OPPS Hosp" column are permissible and are used as edits in the MedStar Family Choice claims system. If you need more information regarding NCCI methodologies and the appropriate usage of modifiers, you can access **[CMS.gov/MedicaidNCCICoding](http://www.cms.gov/MedicaidNCCICoding)** for the National Correct Coding Initiative Policy Manual for Medicaid Services as well as the Medicaid National Correct Coding Initiative Edit Design Manual at:

<http://www.medicare.gov/medicaid-chip-program-information/by-topics/data-and-systems/downloads/2014-medicare-nci-edit-design-manual-rev-3/14.pdf>