



#### The National Correct Coding Initiative and Medically Unlikely Edits for Part B Providers 11/22/2022



1934\_1122

## Today's Presenters



- Arlene Dunphy, CPC
  - Provider Outreach and Education Consultant
- Michelle Coleman, CPC
  - Provider Outreach and Education Consultant





# Disclaimer

National Government Services, Inc. has produced this material as an informational reference for providers furnishing services in our contract jurisdiction. National Government Services employees, agents, and staff make no representation, warranty, or guarantee that this compilation of Medicare information is error-free and will bear no responsibility or liability for the results or consequences of the use of this material. Although every reasonable effort has been made to assure the accuracy of the information within these pages at the time of publication, the Medicare Program is constantly changing, and it is the responsibility of each provider to remain abreast of the Medicare Program requirements. Any regulations, policies and/or guidelines cited in this publication are subject to change without further notice. Current Medicare regulations can be found on the <u>CMS website</u>.





# No Recording

- Attendees/providers are never permitted to record (tape record or any other method) our educational events
  - This applies to our webinars, teleconferences, live events and any other type of National Government Services educational events





# Objectives

- To gain an understanding of NCCI edits and proper modifier use
- Understand the MUE adjudication indicators and how the claims are processed
- Understand the different level of appeals for NCCI and MUE denials





#### Agenda

- National Correct Coding Initiative
- Modifiers
- Medically Unlikely Edits
- Redetermination/Reopening
- Resources





#### National Correct Coding Initiative





# What Is the NCCI?

- PTP code pair edits
- Developed to promote national correct coding methods
- To control improper coding leading to inappropriate payment for Medicare Part B claims
- Edits to prevent unbundling of services
- Edits are updated quarterly





# Coding Conventions Defined

- Coding policies are based on the
  - AMA CPT manual
  - HCPCS manual
  - National and local Medicare policies
  - Coding guidelines developed by national societies





## NCCI Edits

- Two types
  - PTP coding edits
    - PTP Edits physicians
    - PTP Edits hospitals

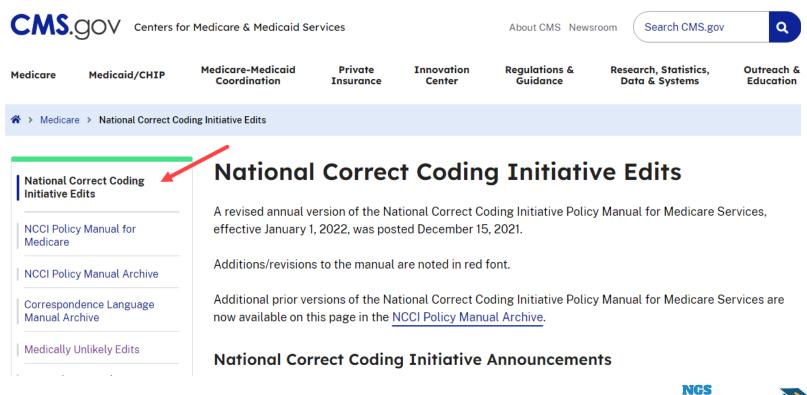




# Where to Find NCCI Edits

#### National Correct Coding Initiative

An official website of the United States government Here's how you know 🗸





### NCCI Edits

National Correct Coding Initiative Edits

NCCI Policy Manual for Medicare

NCCI Policy Manual Archive

Correspondence Language Manual Archive

Medically Unlikely Edits

Quarterly PTP and MUE Version Update Changes

#### **NCCI Policy Manual for Medicare**

Introduction (PDF) Chapter 1 (PDF) Chapter 2 (PDF) Chapter 3 (PDF) Chapter 4 (PDF) Chapter 5 (PDF) Chapter 6 (PDF)





#### Where to Find NCCI Edits

#### **Practitioner PTP Edits**

Practitioner PTP Edits v283r0 (642,695 records) 0001A/0591T - 25999/96523 (ZIP) -

Effective Oct. 1, 2022; Posted Aug. 31, 2022

Practitioner PTP Edits v283r0 (611,803 records) 26010/01810 - 36909/J2001 (ZIP) - Ef Oct. 1, 2022; Posted Aug. 31, 2022

Practitioner PTP Edits v283r0 (590,308 records) 37140/0213T - 60699/96523 (ZIP) -

Effective Oct. 1, 2022; Posted Aug. 31, 2022

Practitioner PTP Edits v283r0 (663,947 records) 61000/0213T - U0003/U0004 (ZIP) -Effective Oct. 1, 2022; Posted Aug. 31, 2022

Practitioner PTP Edits v282r0 (642,678 records) 0001A/0591T - 25999/96523 (ZIP) -Effective July 1, 2022; Posted Aug. 2, 2022

Practitioner PTP Edits v282r0 (611,492 records) 26010/01810 - 36909/J2001 (ZIP) - Ef July 1, 2022; Posted Aug. 2, 2022

Practitioner PTP Edits v282r0 (590,254 records) 37140/0213T - 60699/96523 (ZIP) -

Effective July 1, 2022; Posted Aug. 2, 2022

Practitioner PTP Edits v282r0 (663,766 records) 61000/0213T - U0003/U0004 (ZIP) -Effective July 1, 2022; Posted Aug. 2, 2022





# NCCI Coding

- Column one code is eligible for payment
- Column two code will be denied unless both codes are clinically appropriate
- Indicate the supporting documentation in the medical record





#### NCCI

- Does not include all possible combinations
  - Providers are obligated to code correctly
- Services that are denied based on PTP code pair edits
  - May not be billed to Medicare beneficiaries
  - Cannot utilize an ABN to seek payment





## NCCI Indicators

Modifier Indicator	Descriptor
Indicator 0	Codes should never be reported together by the same provider/same beneficiary/same DOS
Indicator 1	Codes may be reported together only in defined circumstances (identified on claims by specific NCCI- associated modifier)
Indicator 9	Not relevant (edit was deleted)





#### NCCI Example

Column 1	Column 2	*= in existence prior to 1996	Effective Date	Deletion Date *=no data	Modifier 0=not allowed 1=allowed 9= not applicable	PTP Edit Rationale
26010	99214		20130701	*	1	CPT Manual or CMS Manual coding instructions





#### NCCI Example

Column 1	Column 2	*= in existence prior to 1996	Effective Date	Deletion Date *=no data	Modifier 0=not allowed 1=allowed 9= not applicable	PTP Edit Rationale
93015	93000		19960101	*	1	Standards of medical/surgical practice





# Remittance Example and References

Code	Description		
CO-16	Claim/service lacks information or has submission/billing error(s) which is needed for adjudication. Additional information is supplied using remittance advice remarks codes.		
Reason Code 236	This procedure or procedure/modifier combination is not compatible with another procedure/modifier combination provided on the same day according to the National Correct Coding Initiative or workers' compensation state regulations/fee schedule requirements.		

#### WPC references

- X12 External Code Lists
  - Remittance Advice Remarks Code reference
  - Claim Adjustment Reason Code reference
     Inational government SERVICES



## Appropriate Modifiers

- Modifiers that may be used under appropriate clinical circumstances
  - Anatomic modifiers: E1—E4, FA, F1—F9, TA, T1—T9, LT, RT, LC, LD, RC, LM, RI
  - E/M modifiers: 24, 25, 57
  - Global surgery modifiers: 58, 78, 79
  - Other modifiers: 59, XE, XS, XP, XU, 76, 77, 91, KX
- Documentation must satisfy the criteria required





#### Repeat Service Modifiers

- Modifier 76 Repeat procedure by the same physician
- Modifier 77 Repeat procedure by a different physician
- Modifier 91 Repeat clinical diagnostic laboratory test to obtain multiple results
- Repeat Procedures Modifiers 76 and 77
- Proper Use of Modifiers 59 and 91
- MLN<sup>®</sup> Fact Sheet: <u>Proper Use of Modifiers 59 & -X{EPSU}</u>





# Modifier 59/XE/XS/XP/XU Distinct Procedural Service

- Used when performed procedure or service distinct or separate from other services performed on same day, such as
  - Different session or patient encounter
  - Different procedure or surgery
  - Different anatomic site
  - Separate lesion
  - Separate injury





22

# Modifiers 59/XE/XS/XP/XU

- Appropriate usage
  - Different session or patient encounter, different procedure or surgery, different anatomical site, or separate injury or area of injury
  - Medical record documentation indicates two separate distinct procedures performed on the same day by the same physician
  - Listed on the column one or column two code (MM11168)
  - Only when there is no other appropriate modifier to use
- Inappropriate usage
  - Code combination does not appear in the NCCI edits
  - Not be appended to an E/M service performed on the same date, see modifier 25
  - NCCI modifier table with a modifier indicator of "0"
  - Medical record documentation does not support the separate and distinct status
  - Exact same procedure code was performed twice on the same day, see modifier 76 or 77
  - A more appropriate modifier exists to identify the services





## Add-on Codes

National Correct Coding Initiative Edits

NCCI Policy Manual for Medicare

NCCI Policy Manual Archive

Correspondence Language Manual Archive

Medically Unlikely Edits

Quarterly PTP and MUE Version Update Changes

**PTP Coding Edits** 

Add-on Code Edits

NCCI FAQs

#### **National Correct Coding Initiative Edits**

A revised annual version of the National Correct Coding Initiative Policy Manual for Medicare Services, effective January 1, 2022, was posted December 15, 2021.

Additions/revisions to the manual are noted in red font.

Additional prior versions of the National Correct Coding Initiative Policy Manual for Medicare Services are now available on this page in the NCCI Policy Manual Archive.

#### **National Correct Coding Initiative Announcements**

Effective January 1, 2022, CMS implemented a new format for the Add-On Code (AOC) edit file. The format is a fixe
width text file (link to file structure (PDF)

#### **Replacement Files**

The CMS issued replacement files with the following changes:

• Replacement Files (1st quarter of 2022) - CMS issued a second set of replacement files for NCCI Procedure to





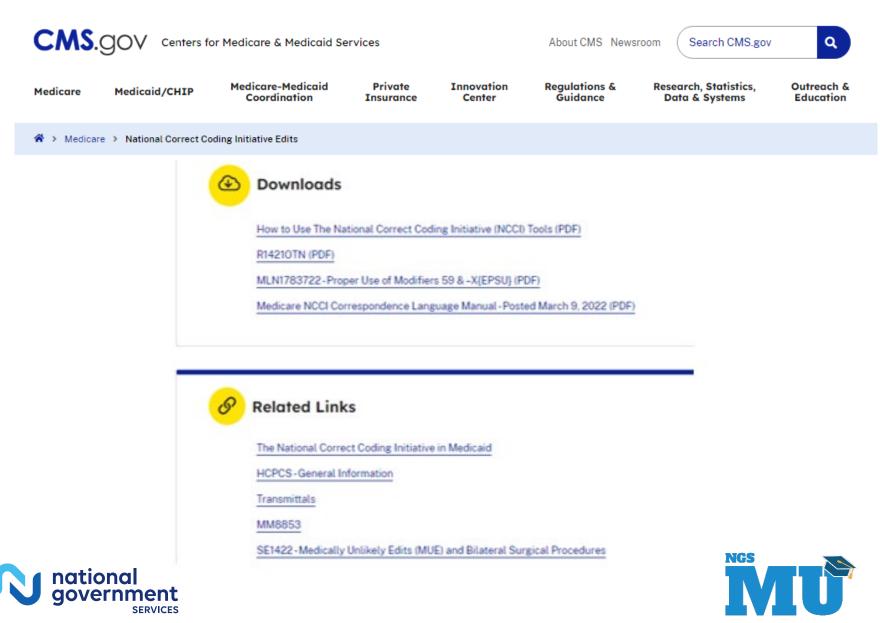
# Add-on Codes

- Describes a service always performed in conjunction with another primary service
- Is eligible for payment only if it is reported with an appropriate primary procedure performed by the same practitioner
- Is never eligible for payment if it is the only procedure reported by a practitioner





#### CMS NCCI Downloads



#### Medically Unlikely Edits





# Medically Unlikely Edits

- Developed to reduce the paid claims error rate
- Automated prepayment edits
- Do not exist for all HCPCS/CPT codes
- Majority of the edits are publicly available
- Edits are updated quarterly





#### **MUE Edits**

- Three provider-type choices
  - MUEs
    - Practitioner MUEs
    - DME supplier MUEs
    - Facility outpatient MUEs





#### MUEs

- MACs may have a unit of service edit that could be more restrictive
  - If so, that edit would be applied to the claim
- If a MUE is more restrictive than a MACs, the more restrictive edit would apply
- MUE values are not utilization guidelines
- MUEs reported less than or equal to a value for a code may still be subjected to medical review





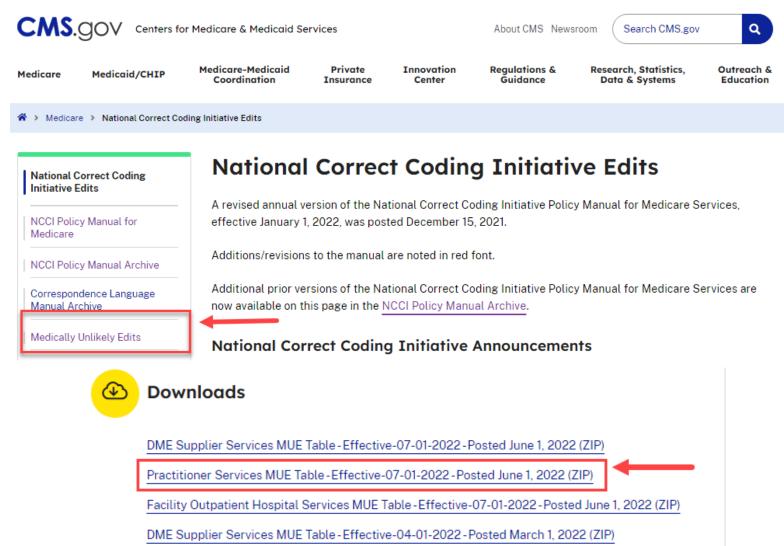
#### Remittance Example and References

Code	Description
CO-16	Claim/service lacks information or has submission/billing error(s) which is needed for adjudication. Additional information is supplied using remittance advice remarks codes.
Reason Code 151	Payment adjusted because the payer deems the information submitted does not support this many/frequency of services.
Remark Code N362	Number of days/units exceed maximum.





# NCCI Downloads







## MUE Table

HCPCS/ CPT Code	Practitioner Services MUE Values	MUE Adjudication Indicator	MUE Rationale
92920	3	3 Date of service Edit: Clinical	Code Descriptor/CPT Instruction





33

# MUE Adjudication Indicator "1"

 This is a claim line edit which will deny when units of service are in excess of the MUE, although this may be impacted by the presence of a modifier on the claim line

HCPCS/CPT Code	Practitioner Services MUE Values	MUE Adjudication Indicator	MUE Rationale
J7193	4000	1 Line Edit	Clinical: CMS Workgroup





# MUE Adjudication Indicator "1" Example

- J7193 Example Total of 4100 units
  - Line 1 = J7193 (MAI 1) 4000 (MUE is 4000)
  - Line 2 = J7193 76 modifier (MAI 1) 100 units

HCPCS/CPT Code	Practitioner Services MUE Values	MUE Adjudication Indicator	MUE Rationale
J7193	4000	1 Line Edit	Clinical: CMS Workgroup





# MUE Adjudication Indicator "2"

- This is an absolute date of service edit. UOS in excess of the MUE value would be considered impossible because of a statute, regulation or sub regulatory guidance. This includes correct coding policy that is binding for both providers and MACs.
  - Note: When billing for bilateral services and the MAI value is 2, you must bill as a single line item with the 50 modifier





## MUE Adjudication Indicator "2" Example

HCPCS/CPT Code	Practitioner Services MUE Value	MUE Adjudication Indicator	MUE Rationale
G0444	1	2 Date of Service Edit: Policy	CMS Policy





37

## MUE Adjudication Indicator "3"

- This is a date of service edit based on clinical benchmarks. If medical necessity for the excess UOS is established through prepayment review of the claim, reopening or redetermination process or through instructions from a higher level of appeal, MACs may bypass these edits and allow the excess UOS.
  - Note: UOS are counted for all lines of service on the current claim and any prior finalized claim for the same DOS. When that count exceeds the MUE UOS, all claim lines for the code on the current claim are denied, although prior paid and finalized claims are not adjusted. The claim will have to be submitted through a redetermination with medical documentation to support the units of service.





# MUE Adjudication Indicator "3" Example

HCPCS/CPT Code	Practitioner Services MUE Value	MUE Adjudication Indicator	MUE Rationale
82947	5	3 Date of Service Edit: Clinical	Clinical: Data





# MUE Adjudication Indicator "3" Example

- 82947 example of seven units (MUE 5)
- Line One 82947 seven units (Must appeal all units)
- Claim must be appealed with documentation to support additional units in excess of five because it is a DOS edit, which means the system will add up all units for that date regardless of how many claims were submitted





#### **MUE** Notes

- MUE denials may be appealed
  - Denials based on coding/billing errors can be addressed via the redetermination process
- MUEs are applicable to the time period in table
- Liability cannot be shifted to the beneficiary
  - ABN issuance in anticipation of a MUE denial is not appropriate





#### **MUE** Notes

- ASCs
  - Cannot use modifier 50
    - Bill two UOS on one detail line or
    - Bill separate details using RT/LT modifiers
  - Report procedures with differing modifiers on individual claim lines when appropriate
  - Many MUEs are based on the assumption that correct modifiers are used





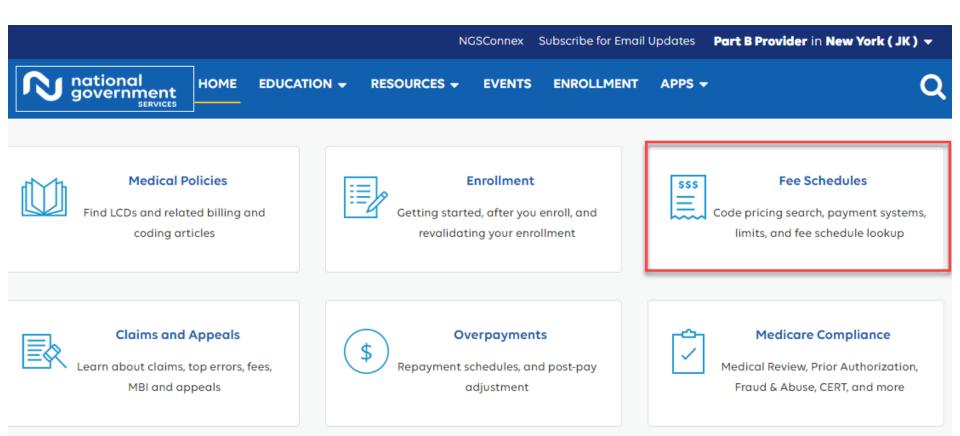
## Modifier 50

- Used to report bilateral procedures performed at the same operative sessions as a single line item
  - Do not use modifiers RT/LT when modifier 50 is used
- Applies to any bilateral procedures performed on both sides at the same operative session
- Do not use to report on surgical procedures identified by their terminology as "unilateral or bilateral"
- Report one unit when modifier 50 is reported
- Report anatomic modifiers on individual claim lines





## Accessing the Fee Schedule



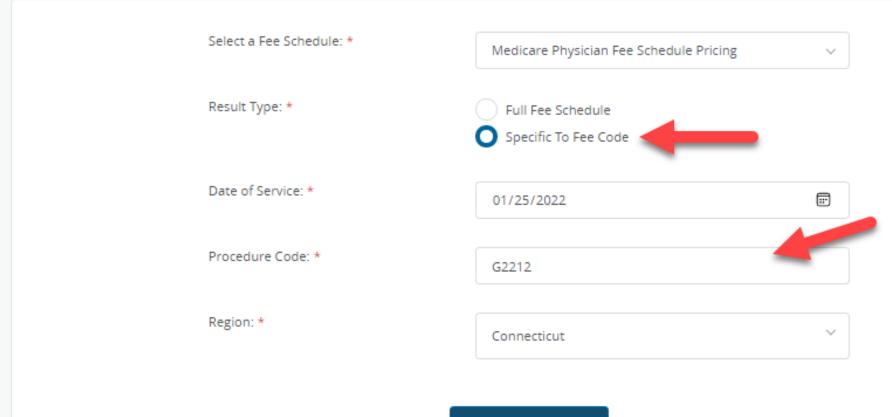




44

#### Fee Schedule Lookup

To initiate a search, select a fee schedule type from the drop-down menu, complete all required fields, then select Search.



Search





## Medicare Physician Fee Schedule Details

#### Medicare Physician Fee Schedule Pricing Fee Schedule

Procedure Code	Effective Date	State/Territory	Locality	Short Description
g2212	01/01/2022	13202	01	Prolong outpt/office vis

Non-OPPS Capped Payment Rates (NON-OPPS)						
ModIfier	NON FAC PAR	NON FAC NON PAR	NON FAC LC	FAC PAR	FAC NON PAR	FAC LC
(Details)	38.30	36.39	41.85	37.05	35.20	40.48
Modifier Selected: (blank)						
Status	Conversion Factor	Update Factor	Wor	k RVU	FAC PE RVU	NON FAC PE RVU
A	34.6062	0.9990	0.61		0.27	0.30
Malpractice RVU	Work GPCI	Practice GPCI	Mal	practice GPCI	Reduced Therapy Amt	Endoscopic Base
0.05	1.056	1.203	2.03	31	0.00	
Global Surgery	Facility Pricing	PC/TC	Prec	operative Percentage	Interoperative Percentage	Postoperative Percentage
XXX	1	0	00.0	00%	00.00%	00.00%
Multiple Surgery	Bilateral Surge	ry A:	ssistant At Surgery	Two Surg	geons Te	eam Surgery
0	0	0		0	0	





46

## Bilateral Surgery Indicators

- Bilateral surgery indicators
  - "0" indicates a unilateral code
    - Modifier 50 is not billable
  - "1" indicates modifier 50 can be appropriate
  - "2" indicates a bilateral code
    - Modifier 50 is not billable





## Bilateral Surgery Indicators

- "3" indicates primary radiology codes
  - Modifier 50 is billable
- "9" indicates that the concept does not apply
- Modifier 50 cannot be appended when bilateral indicators are 0, 2 or 9





# **Bilateral Indicators**

- Column 8: Bilateral Surgery (Modifier 50)
  - Indicates services subject to a payment adjustment

Indicator	Description
0	150 percent payment adjustment for bilateral procedures does not apply. If procedure is reported with modifier 50 or with modifiers RT and LT, base the payment for the two sides on the lower of: (a) the total actual charge for both sides or (b) 100 percent of the fee schedule amount for single code. <b>Example:</b> The fee schedule amount for code XXXXX is \$125. The physician reports code XXXXX-LT with an actual charge of \$100. Payment should be based on the fee schedule amount of \$125 since its lower than the total actual charges for the left and right sides (\$200). The bilateral adjustment is inappropriate for codes in this category (a) because of physiology or anatomy, or (b) because the code description specifically states that it is a unilateral procedure and there is an existing code for the bilateral procedure.
1	150 percent payment adjustment for bilateral procedure applies. If the code is billed with the bilateral modifier or is reported twice on the same day by any other means (e.g., with RT and LT modifiers, or with a 2 in the units field), base the payment for these codes when reported as bilateral procedures on the lower of (a) the total actual charge for both sides, or (b), 150 percent of the fee schedule amount for a single code. If the code is reported as a bilateral procedure and is reported with other procedure codes on the same day, apply the bilateral adjustment before applying any applicable multiple procedure rules.





# **Bilateral Indicators**

Indicator	Description
2	150 percent payment adjustment for bilateral does not apply. RVUs are already based on the procedure being performed as a bilateral procedure. If the procedure is reported with modifier 50 or is reported twice on the same day by any other means (e.g., with RT and LT modifiers or with a 2 in the units field), base payment for both sides on the lower of (a) the total actual charges by the physician for both sides, or (b) 100 percent of the fee schedule for a single code. <b>Example:</b> The fee schedule amount for code YYYYY is \$125. The physician reports code YYYYY-LT with an actual charge of \$100 and YYYYY-RT with an actual charge of \$100 Payment should be based on the fee schedule amount (\$125) since its lower than the total actual charges for the left and right sides (\$200).The RVUs are based on the bilateral procedure because (a) the code descriptor specifically states the procedure is bilateral, (b) the code descriptor states that the procedure may be performed either unilaterally or bilaterally, or © the procedure is usually performed as a bilateral procedure.
3	The usual payment adjustment for bilateral procedures does not apply. If the procedure is reported with modifier 50 or is reported for both sides on the same day by any other means (e.g., with RT and LT modifiers or with a 2 in the units field), base the payment for each side or organ or site of a paired organ on the lower of (a) the actual charge for each side or (b) 100 percent of the fee schedule amount for each side. If the procedure is reported as a bilateral procedure and with other procedure codes on the same day, determine the fee schedule amount for a bilateral procedure before applying any multiple procedure rules. Services in this category are generally radiology procedures or other diagnostic tests which are not subject to the special payment rules for other bilateral surgeries.
9	Concept does not apply.





## NCCI Contractor

- National Correct Coding Initiative Contractor P.O. Box 246 Pittsford, NY 14534
- Email: <u>NCCIPTPMUE@cms.hhs.gov</u>
- Fax #: 585-510-7234
  - Inquiries about the NCCI program, including those related to NCCI (PTP, MUE and Add-On) edits, should be sent to the following email address: <u>NCCIPTPMUE@cms.hhs.gov</u>
- National Correct Coding Initiative Edits





## Redetermination/Reopening





## Redetermination

- Redetermination First level of an appeal
  - NGSConnex
  - Written
- No minimum amount in controversy
- Remittance advice code
  - MA01 Claim has appeal rights
- Attach supportive medical documentation





- Correction to minor, uncomplicated, provider or contractor clerical errors or omissions
  - Telephone
    - TRU line will not process MUE denials
  - NGSConnex
  - Written





## Reopening Versus Redetermination

Reopening To correct a claim(s) determination resulting from minor errors	Redetermination (Appeal – First level) For partially paid or denied claim(s) resulting from more complex issues that require analysis of documentation
<ul> <li>Mathematical or computational mistake</li> <li>Inaccurate data entry</li> <li>Computer errors</li> <li>Incorrect data items</li> <li>Transposed procedure or diagnostic codes</li> </ul>	<ul> <li>Coverage of furnished items and service</li> <li>Overpayment determinations</li> <li>Medical necessity claim denials</li> <li>Determination on limitation of liability provision</li> </ul>

\*Reminder: TRU line does not accept MUE denials, they must be submitted via NGSConnex portal





- Assignment of claims (MAC errors only)
- CLIA certification denials
- Adding or changing order/referring/supervising physician
- Add/change rendering provider
- POS changes
- Duplicate denials





- MA plan denials (clinical trial or hospice related only)
- Modifier GV and GW
- Fee schedule incorrect
- HIC/MBI corrections (MAC error only)
- MSP Medicare now primary
  - Note: MSP claims can only be processed within one year from the date of denial or payment





Patient paid amount (MAC error only)

**Exception:** If Medicaid or another government entity paid in error, please submit a written request





## Modifier Appeals

- Adding/changing a modifier
  - Excluding modifiers AQ, AR, QU, QB, 22, 23, 52, 53, 62, 66, GA, GY and GZ
- Reopenings for Minor Errors and Omissions





## Contacting Telephone Reopening Unit

- Please provide
  - Beneficiary's name
  - Medicare number
  - Your name and phone number
  - Provider's full name/PTAN
  - Item or service in question
  - Date(s) of service in question
  - Reason for request





#### NGSConnex

- Free, secure, web-based application
  - Submit claims
  - Obtain beneficiary eligibility information
  - Submit documents for ADR requests (including Medical Review)
  - Initiate and check status of redetermination and reopening requests
  - View duplicate/claim overlaps





#### Resources

- MLN<sup>®</sup> Educational Tool <u>How to Use the Medicare National Correct</u> <u>Coding Initiative (NCCI) Tools</u>
- Medicare Topics
  - Repeat Procedures Modifiers 76 and 77
- MLN<sup>®</sup> Fact Sheet
  - Proper Use of Modifiers 59 & –X{EPSU}
- MLN Matters<sup>®</sup> <u>MM11168 Revised: Modification of the MCS Claims</u> <u>Processing System Logic for Modifier 59, XE, XS, XP, and XU Involving</u> <u>the National Correct Coding Initiative (NCCI) Procedure to Procedure</u> <u>(PTP) Column One and Column Two Codes</u>
- CMS Medically Unlikely Edits
- NGS Medically Unlikely Edits





#### Thank You!

- Follow-up email
  - Attendees will be provided a Medicare University Course Code
- Questions?







63