How to Use the Medicare National Correct Coding Initiative (NCCI) Tools





https://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/index

To Learn More...

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Updates

Note: No substantive content updates

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Introduction

What is the Medicare National Correct Coding Initiative (NCCI)?

The Medicare National Correct Coding Initiative (NCCI) promotes national correct coding methodologies and controls improper coding leading to inappropriate payment. The coding policies are based on coding conventions defined in the American Medical Association's (AMA's) Current Procedural Terminology (CPT) Manual, national and local Medicare policies and edits, coding guidelines developed by national societies, standard medical and surgical practice, and/or current coding practice.

Prior to the implementation of NCCI edits, all proposed edits are released for review and comment to the AMA, national medical/surgical societies, and other national health care organizations, including non-physician professional societies, hospital organizations, laboratory organizations, and durable medical equipment organizations.

To Learn More...

Please note: The information in this publication applies to individuals or entities who submit claims for Medicare Part B services.

For more information about the Medicaid NCCI program, refer to the <u>National Correct Coding Initiative in</u> <u>Medicaid</u> webpage.

Background: NCCI Edits

The NCCI contains two provider-type choices of Procedure-to-Procedure (PTP) code pair edits and three provider-type choices of Medically Unlikely Edits (MUEs).

PTP Code Pair Edits

PTP code pair edits are automated prepayment edits that prevent improper payment when certain codes are submitted together for Part B-covered services.

1. PTP Edits-Practitioners

PTP code pair edits are applied to claims submitted by physicians, non-physician practitioners, and Ambulatory Surgery Center (ASCs).

2. PTP Edits-Hospital

PTP edits are applied to Types of Bills (TOBs) subject to the Outpatient Code Editor (OCE) for the Outpatient Prospective Payment System (OPPS). These edits are applied to outpatient hospital services and other facility services including, but not limited to, therapy providers (Part B Skilled Nursing Facilities (SNFs)), comprehensive outpatient rehabilitation facilities (CORFs), outpatient physical therapy and speech-language pathology providers (OPTs), and certain claims for home health agencies (HHAs) billing under TOBs 22X, 23X, 75X, 74X, 34X.

MUEs

Medically Unlikely Edits (MUEs) are used by the Medicare Administrative Contractors (MACs), including Durable Medical Equipment (DME) MACs, to reduce the improper payment rate for Part B claims. An MUE for a HCPCS/CPT code is the maximum units of service that a provider would report under most circumstances for a single beneficiary on a single date of service. Not all HCPCS/CPT codes have an MUE.

1. Practitioner MUEs

These edits are applied to all claims submitted by physicians and other practitioners.

2. Durable Medical Equipment (DME) Supplier MUEs

These edits are applied to claims submitted to DME MACs. (At this time, this file will include HCPCS A-B and E-V codes in addition to HCPCS codes under the DME MAC jurisdiction.)

3. Facility Outpatient MUEs

These edits are applied to all claims for TOB including, but not limited to 13X, 14X, and Critical Access Hospitals (CAHs) [85X].

MUE values are not utilization guidelines. Providers should continue to only report services that are medically reasonable and necessary. Providers may be subject to medical review of their claims even if they report UOS less than or equal to the MUE value for a code.

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Modifiers

Modifiers consist of 2 alphanumeric characters that give additional information. They are applied to HCPCS/ CPT codes only if the clinical circumstances justify using the modifier. A modifier should not be appended to a HCPCS/CPT code solely to bypass an MUE or PTP code pair edit if the clinical circumstances do not justify using it. If the Medicare Program imposes restrictions on applying a modifier, the modifier may only be used to bypass a PTP code pair or MUE edit if the Medicare restrictions are fulfilled. We will learn more about modifiers on pages 10 and 11 of this booklet.

Add-On Codes

An Add-on Code (AOC) is a HCPCS/CPT code that describes a service that, with rare exception, is performed in conjunction with another primary service by the same practitioner. An AOC is rarely eligible for payment if is the only procedure reported by a practitioner.

For information about AOC edits, please visit Add-on Code Edits.

Why Would a Health Care Professional, Supplier, or Provider Use the NCCI Webpage, Tables and Manual?

Accurate coding and reporting of services are critical aspects of proper billing. Service that is denied based on PTP code pair edits or MUEs may not be billed to Medicare beneficiaries; a provider cannot use an Advance Beneficiary Notice of Noncoverage (ABN) to seek payment from a Medicare beneficiary. The NCCI tools found on the CMS webpage (including the <u>NCCI Policy Manual for Medicare</u>) help providers avoid coding and billing errors and subsequent payment denials.

Note: It is important to understand, however, that the NCCI does not include all possible combinations of correct coding edits or types of unbundling that exist. Providers are obligated to code correctly even if edits do not exist to prevent using an inappropriate code combination. Should providers determine that claims have been coded incorrectly, they are responsible to contact their Medicare Administrative Contractor (MAC) about potential payment adjustments. Per a ruling on the <u>Federal Register</u>, providers and suppliers are subject to the statutory requirements found in section 1128J(d) of the Social Security Act and could face potential False Claims Act (FCA) liability, Civil Monetary Penalties Law (CMPL) liability, and exclusion from federal health care programs for failure to report and return an overpayment.

For more information on overpayments refer to the Medicare Overpayments Fact Sheet.

How Up to Date are the NCCI Tables?

The tables are updated quarterly and loaded into the Medicare claims payment processing systems and onto the CMS NCCI webpage.

Select the Quarterly PTP and MUE Version Update Changes link in the left navigation menu of the <u>NCCI Edits</u> webpage to find quarterly changes to the PTP and MUE tables.

The NCCI program updates the NCCI Policy Manual for Medicare annually.

How to Locate the NCCI Tables and Manual

The NCCI Policy Manual, MUEs, and PTP edits are accessed through the <u>NCCI Edits</u> webpage.

Links to the PTP Coding Edits, Medically Unlikely Edits, and NCCI manual webpages are provided in the menu on the left side of the NCCI Edits webpage.

Using the NCCI Tools

Looking Up Procedure-To-Procedure (PTP) Code Pair Edits

The first step in looking up an edit is to select the PTP Coding Edits link in the menu on the left side of the <u>National Correct Coding Initiative Edits</u> webpage on the CMS webpage.

Figure 1 shows the screen after selecting PTP Coding Edits. Scroll to the Related Links section at the bottom of the page to find links to the Hospital PTP Edits tables and the Practitioner PTP Edits tables.

We will refer to the tables in Figure 1.2 as Hospital PTP Edits Table 1, Hospital PTP Edits Table 2, Hospital PTP Edits Table 3, Hospital PTP Edits Table 4, Practitioner PTP Edits Table 1, Practitioner PTP Edits Table 2, Practitioner PTP Edits Table 3, and Practitioner PTP Edits Table 4 in this booklet.

The names of the Hospital PTP Edits or Practitioner PTP Edits indicate the code range of edits listed in the table, beginning with the first Column 1 or Column 2 code edit in the file and ending with the last Column 1 or Column 2 code edit in the file. Column 1 CPT codes, which end with letters M, U, or T, appear in the first table for both Hospital PTP Edits and Practitioner PTP Edits. Column 1 HCPCS Level II codes, which begin with letters A-V appear in the last table for both Hospital PTP Edits.

Code Ranges

The following HCPCS/CPT code ranges can be found in the tables: 00000-09999: Anesthesia Services 10000-19999: Surgery (Integumentary System) 20000-29999: Surgery (Musculoskeletal System) 30000-39999: Surgery (Respiratory, Cardiovascular, Hemic and Lymphatic Systems) 40000-49999: Surgery (Digestive System) 50000-59999: Surgery (Urinary, Male Genital, Female Genital, Maternity Care and Delivery Systems) 60000-69999: Surgery (Endocrine, Nervous, Eye and Ocular Adnexa, and Auditory Systems) 70000-79999: Radiology Services 80000-89999: Pathology/Laboratory Services 90000-99999: Medicine, Evaluation and Management Services A0000-V9999: Supplemental Services 0001T-0999T: Category III Codes 0001M-0010M: MAAA Codes 0001U-0034U: PLA Codes

Click on the Hospital PTP Edits or Practitioner PTP Edits table you wish to view or save.

A license agreement will appear. To continue to the table selected, the terms and conditions of the AMA copyright must be accepted.

The tables can be opened in Microsoft Excel (the file ending in xlsx) or text file format. Select the format you want to open the table.

Helpful Hint

The files are zipped due to their size, which allows for faster download. If the files do not automatically unzip, you may need the appropriate software to unzip these files. If you scroll to the bottom of the PTP Coding Edits page and click on Help with File Formats and Plug-Ins, you can download free software. Remember that NCCI tables are updated quarterly and saved tables must be replaced in order to have the most current information.

How to Use the PTP Code Pair Tables

The Column One/Column Two Correct Coding edit tables contain PTP code pairs. We will demonstrate how to use the PTP code pair tables, using code 99215 and two of the four Practitioner PTP Edits tables as our examples. Our examples using the Practitioner PTP Edits tables and code 99215 will show:

- When is a code the reimbursable code of a PTP code pair?
- How you identify all PTP code pairs when a code is not reimbursable or when it is only reimbursable if an appropriate modifier is used?
- When an appropriate modifier may be used

What are the Column 1/Column 2 PTP Code Pair Tables?

Although the Column Two code is often a component of a more comprehensive Column One code, this relationship is not true for many edits. In the latter type of edit, the PTP code pair edit simply represents two codes that should not be reported together, unless an appropriate modifier is used. For example, a provider should not report a vaginal hysterectomy code and total abdominal hysterectomy code together. Many procedure codes should not be reported together because they are mutually exclusive of each other. Mutually exclusive procedures cannot reasonably be performed at the same anatomic site or same beneficiary encounter.

An example of a mutually exclusive situation is the repair of an organ that can be performed by two different methods. Only one method can be chosen to repair the organ. A second example is a service that can be reported as an initial service or a subsequent service.

In order to reduce the amount of claims denied sex/diagnosis and sex/procedure edits, the KX modifier is now a multipurpose informational modifier and will be used to identify services for transgender, ambiguous genitalia, and hermaphrodite beneficiaries in addition to its other existing uses. Therefore, if a gender/procedure or gender/diagnosis conflict edit occurs, the KX modifier alerts the MAC that it is not an error and will allow the claim to continue with normal processing.

When is a Code the Reimbursable Code of a PTP Code Pair?

The Column One/Column Two Correct Coding edit tables contain PTP code pairs. If a provider submits the two codes of an edit pair for payment for the same beneficiary on the same date of service, the Column One code is eligible for payment and the Column Two code is denied. However, if both codes are clinically appropriate and an appropriate NCCI-associated modifier is used, the codes in both columns are eligible for payment. Supporting documentation must be in the beneficiary's medical record. For more information on the properly using modifiers 59 and -X{EPSU}, please see the <u>MLN SE1418</u> article.

To determine when our example code 99215 is the reimbursable code of a PTP code pair, we open the Practitioner PTP Edits Table containing edits from 61000/0213T - R0075/R0070 (or similar range) to search for 99215 in Column 1. We can use the Microsoft Excel filter tool to easily search for all instances of 99215 in Column 1 in the table. (The Filtering the PTP Data Tables section at the end of this booklet gives instructions for using the filter tool in Microsoft Excel.)

Figure 2 shows part of the Practitioner PTP Edits Table containing edits from 61000/0213T - R0075/R0070 (or similar range), with our example code 99215 in Column 1.

- 1. Column 1 indicates the payable code.
- 2. Column 2 contains the code that is not payable with this particular Column 1 code, unless a modifier is permitted and submitted.

- 3. The third column indicates if the edit was in existence prior to 1996.
- 4. The fourth column indicates the effective date of the edit (year, month, date).
- 5. The fifth column indicates the deletion date of the edit (year, month, date).
- 6. The sixth column indicates if using a modifier is permitted. This number is the modifier indicator for the edit. (The Modifier Indicator Table, shown on page 11 of this booklet, provides further explanation.)
- 7. The seventh column provides the underlying basis for each PTP edit.

Our search shows a portion of all Column 1/Column 2 PTP code pairs where 99215 is the payable code and every code that is not separately payable when billed with 99215 (unless a modifier is allowed) as a result of the Column 1/Column 2 policies.

Figure 2 shows, for example, that a physician will not be reimbursed for HCPCS code G0102 (Prostate cancer screening; digital rectal examination) together with 99215 (Office or other outpatient visit).

How Do You Identify All PTP Code Pairs When a Code is Not Reimbursable or When It is Only Reimbursable If An Appropriate Modifier is Used?

In other words, you will also wish to know when a code appears as a Column 2 code.

Unlike the Column 1 search, now you must download all of the Practitioner PTP Edits tables and search for Column 2 codes in all. (Similarly, other providers would need to download and search both of the hospital tables.) Use the Microsoft Excel filter tool so all instances of a particular code are displayed together in Column 2. (The Filtering the PTP Data Tables section at the end of this booklet provides instructions for using the filter tool in Microsoft Excel.)

For example, code 99215 appears in Column 2 of both Practitioner PTP Edits tables.

If you perform a Microsoft Excel filter for 99215 in Column 2 of the Practitioner PTP Edits Table containing edits from 0001M/36591 - 25931/G0471 (or similar range), you will see that 99215 is not reimbursed with 01462, Anesthesia for all closed procedures on lower leg, ankle, and foot.

If you perform a filter for 99215 in Column 2 of the Practitioner PTP Edits Table containing edits from 61000/0213T - R0075/R0070 (or similar range), you will see that 99215 is not reimbursed with 99221, Initial hospital care, unless an appropriate modifier is used.

How Do You Know When An Appropriate Modifier May Be Used?

In the modifier indicator column, the indicator 0, 1, or 9 shows whether an PTP-associated modifier allows the PTP code pair to bypass the edit. The following Modifier Identifier Table provides a definition of each of these indicators.

Modifier Indicator	Definition
0 (Not Allowed)	There are no modifiers associated with NCCI that are allowed to be used with this PTP code pair; there are no circumstances in which both procedures of the PTP code pair should be paid for the same beneficiary on the same day by the same provider.

Table 1. Modifier Indicator Table

Modifier Indicator	Definition
1 (Allowed)	The modifiers associated with NCCI are allowed with this PTP code pair when appropriate.
9 (Not Applicable)	This indicator means that an NCCI edit does not apply to this PTP code pair. The edit for this PTP code pair was deleted retroactive to the implementation date

Hospital PTP Edits: These PTP code pair tables operate the same as the practitioner PTP code pair tables; however, modifiers and coding pairs may differ from the practitioner PTP code pair tables because of differences between facility and professional services.

Now that you've learned how to use the PTP code pair tables, let's learn how to search for MUEs.

Looking Up Medically Unlikely Edits (MUEs)

An MUE for a HCPCS/CPT code is the maximum Units of Service (UOS) that a provider would report under most circumstances for a single beneficiary on a single date of service.

MUEs are developed based on HCPCS/CPT code descriptors, CPT coding instructions, anatomic considerations, established CMS policies, nature of service/procedure, nature of analyte, nature of equipment, prescribing information, and clinical judgment.

Helpful Hint

Most MUEs are visible to providers on the webpage. However, some MUEs are considered confidential by CMS and are not released. The public/confidential status of MUEs may change.

All claims submitted to MACs and Durable Medical Equipment (DME) MACs, and outpatient facility services claims (Type of Bill 13X, 14X, 85X) are tested against MUEs. Since MUEs are coding edits, rather than medical necessity edits, claims processing contractors may have UOS edits that are more restrictive than MUEs. In such cases, the more restrictive claims processing contractor edit would be applied to the claim.

Similarly, if the MUE is more restrictive than a claims processing contractor edit, the more restrictive MUE would apply. Providers should continue to only report services that are medically reasonable and necessary. Providers may be subject to medical review of their claims even if they report UOS less than or equal to the MUE value for a code.

To view the tables of MUEs, select Medically Unlikely Edits from the menu on the left side of the <u>National</u> <u>Correct Coding Initiative Edits</u> page on the CMS webpage. Scroll to the bottom of the page and select the link to the table you want to review. The table links appear under the Downloads section.

Figure 3 shows the MUE tables for Practitioner Services, Facility Outpatient Services, and DME Supplier Services in the Downloads section. Links to MUE tables for the previous quarter and the current quarter are available.

Helpful Hint

Remember that MUE tables are updated quarterly and saved tables must be replaced to have the most current information

Select Accept to agree to the AMA terms and conditions. The MUE tables are in compressed zipped files. You must choose whether to open and view the file or to save the file for future reference. The tables can be opened/viewed as either a plain text file, or a Microsoft Excel spreadsheet.

Figure 4 shows a section of the Practitioner Services MUE table after selecting the Microsoft Excel format.

- 1. The first column entitled HCPCS/CPT Code contains codes with an MUE value.
- 2. The second column entitled Practitioner Services MUE Values represents the maximum UOS that a practitioner would report under most circumstances for a single beneficiary on a single date of service.
- 3. The third column entitled MUE Adjudication Indicator (MAI) describes the type of MUE. MAI 1 indicates a value applied at the line level. MAI 2 indicates a value that was determined based on absolute criteria, such as anatomic considerations, an intrinsic definition of the code, or published CMS policy. MAI 3 indicates a value that is unlikely to appear on a correctly coded claim but could, in unusual circumstances, be payable. <u>MM8853</u> contains additional information on MAIs. **Note:** MAIs are not coding modifiers.
- 4. The fourth column entitled MUE Rationale provides the underlying basis for each MUE.

Helpful Hint

Unlike the PTP code pair tables, the MUE tables do not have a column that addresses modifiers. Review Chapter 1 of the NCCI Policy Manual for Medicare for information about modifiers and MUEs.

Using the NCCI Policy Manual for Medicare

The <u>NCCI Policy Manual for Medicare</u> is available as a reference tool for correct coding and to explain the rationale for NCCI edits. Each chapter corresponds to a separate section of the CPT Manual, except Chapter 1, which contains general correct coding policies; Chapter 12, which addresses HCPCS Level 2 codes; and Chapter 13, which addresses Category III CPT codes. Each chapter is subdivided by subject to allow easier access to a particular code or group of codes.

Neither the introduction nor the narrative portion of any chapter is intended to supersede any current Medicare policy.

The Introduction and Chapter 1 of the manual are excellent resources for basic information about proper coding practices and how coding edit decisions are made. Chapter 1, which is entitled General Correct Coding Policies, addresses general coding principles, issues, and policies. Many of these principles, issues, and policies are addressed further in subsequent chapters dealing with specific groups of HCPCS/CPT codes. Examples are used to clarify principles, issues, or policies. The examples do not represent the only codes to which the principles, issues, or policies apply.

It is also highly recommended that you carefully review the chapters of the manual that pertain to the code ranges you most often bill. These chapters include detailed information about correct coding and using NCCI-associated modifiers for separately reportable services, and much more.

The NCCI Policy Manual is using the link in the left navigation menu on the National Correct Coding Initiative Edits webpage on the CMS webpage.

Filtering the PTP Data Tables

The fastest and most accurate way to search any of the edit tables for a particular value is by using the Excel Filter feature.

Note: The instructions about how to use the Filter tool were written for Excel 2010. If you have an earlier version of Excel or another spreadsheet program, the Filter function might work differently. Please use the Help feature of your program if you need assistance.

In the figures below, our example uses the Filter to search for instances of CPT code 99215 in Column 2 of the Practitioner PTP Edits Table 1. These instructions also can be used to filter Column 1 codes in any of the four PTP code pair tables.

Open the file in Excel format (.xlsx). Figure 5 shows how to begin filtering by selecting on the column heading entitled Column 2 and then choosing Data and Filter.

Excel displays a drop down arrow on each column header.

Select on the drop-down arrow in Column 2. Excel will automatically select all values in the column. Select on the check box next to Select All to remove this default. Scroll down to the desired value.

Figure 6 shows Column 2 selected and a sort for 99215 chosen by clicking on the box beside this code. Next, click on OK.

Figure 7 shows a sample of occurrences of 99215 in Column 2 of the Practitioner PTP Edits Table 1.

When you are done looking at the records filtered by the desired value, select on the filter symbol in the column you filtered, and select Clear Filter from Column 2 as shown in Figure 8. You must return to viewing ALL records before you can filter for a different value. When you are done looking for records, you can remove the Filter by selecting Data and Filter.

Helpful Hint

When Excel prepares the list of values in each column, Excel automatically lists the values in ascending alphanumeric order. Therefore, when you scroll through the list, if the value you are looking for doesn't appear in the position on the list where it should fall alpha-numerically, the value is NOT on the file.

Need More Information?

The NCCI contractor is able to address questions and concerns about NCCI edits and the program in general. Inquiries about the NCCI program, including those related to NCCI (PTP, MUE and Add-On Code) edits, should be sent to the following email address: <u>NCCIPTPMUE@cms.hhs.gov</u>.

However, because NCCI edits are implemented by the MACs as part of routine claim processing, claimspecific inquiries must be made to the <u>MAC</u>. This includes appeals of NCCI-related claim denials.

Resources

- Add-on Code Edits
- <u>CMS HCPCS General Information</u>
- <u>CMS Help with File Formats and Plug-Ins</u>

- CMS Outpatient Code Editor (OCE)
- <u>CMS Quarterly Provider Updates Electronic Mailing List</u>
- <u>CMS Questions</u>
- Federal Register, Medicare Program; Reporting and Returning of Overpayments
- Internet-Only Manual (IOM) Pub 100-04, Medicare Claims Processing Manual
- <u>MLN Matters® Articles</u>
- MLN Publications
- MLN SE1418 Proper Use of Modifier 59
- <u>MM8853 Revised Modification to the Medically Unlikely Edit (MUE) Program</u>
- <u>National Correct Coding Initiative Edits</u>
- <u>NCCI FAQs</u>
- <u>NCCI Policy Manual for Medicare</u>
- Quarterly PTP and MUE Version Update Changes
- <u>The National Correct Coding Initiative in Medicaid</u>

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