

October 5, 2010

Montana Health Care Programs Notice

All Providers

Changes to NCCI Edits

The Centers for Medicare and Medicaid Services (CMS) developed the National Correct Coding Initiative (NCCI) to promote national correct coding methodologies and to control improper coding.

CMS developed coding policies based on coding conventions defined in the American Medical Association CPT manual, national and local policies and edits, coding guidelines developed by national societies, analysis of standard medical and surgical practices, as well as a review of current coding practices. These edits include column 1/column 2 edits and mutually exclusive edits. These edits deal primarily with procedure code combinations that should not be reported together.

In 2007, CMS developed Medically Unlikely Edits (MUEs) to reduce the paid claims error rate for Medicare claims. The MUE for a HCPCS/CPT code is the maximum units of service that a provider is allowed to bill under most circumstances for a client on a single date of service. These edits are developed based on anatomic considerations, HCPCS/CPT code descriptions, CPT instructions, nature of services/procedures, nature of lab material under examination, and nature of equipment. The MUEs are not utilization guidelines, and providers should continue to only report services that are medically reasonable and necessary.

The Affordable Care Act requires state Medicaid programs to implement NCCI and MUE edits for Medicaid claims. These NCCI and MUE edits for Medicaid may be different from those edits for Medicare. The Montana Medicaid program has had billing edits in place for most programs for many years; however, they have historically not been applied to Ambulatory Surgical Center claims. These changes will only impact improperly coded claims and will assist providers in their efforts to bill properly.

The Department is evaluating these edits and the impact on Montana, and expects to implement specific modification as necessary to prevent conflicts with Montana payment policy. We expect to implement additional changes to the NCCI and MUE edits on November 1, 2010. This will include the implementation of NCCI and MUE edits for Ambulatory Surgical Centers.

If you have questions concerning the Medicaid NCCI or MUE edits, please contact your program officer.

Contact Information

For claims questions or additional information, contact Provider Relations:

Provider Relations toll-free in- and out-of-state: 1-800-624-3958

Helena: (406) 442-1837

E-mail: MTPRHelpdesk@ACS-inc.com

Visit the Provider Information website:

<http://www.mtmedicaid.org>