

# National Correct Coding Initiative (NCCI)

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CMS

# National Correct Coding Initiative (NCCI)

- Who already knows what the NCCI is?
- How many States have already adopted the NCCI?
- If adopted, was it adopted as is, or was it modified, and if so how?

# National Correct Coding Initiative (NCCI)

## What is the NCCI

- It is an edit system developed by CMS for Medicare to address edits to services billed by the same provider, beneficiary and date of service
- It is based upon coding conventions in the AMA CPT manual, national and local policies, coding guidelines from national societies and analysis of Medicare medical and surgical practices
- Edits have been incorporated by Medicare Carriers for Physicians and by Medicare Intermediaries for Hospital Outpatient Prospective Payment System (PPS) and the Outpatient Code Editor (OCE)

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What is the purpose of the NCCI

- There are two purposes for the NCCI edits
  1. To ensure that the most comprehensive group of codes are billed rather than the component parts
  2. To edit two codes that cannot reasonably be performed together based upon either the definition or anatomical considerations
  
- The edits were developed to promote national correct coding methodologies and to control improper coding leading to inappropriate payments

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What are the NCCI edits

- The edits are pairs of CPT or HCPCS level II codes not separately payable except under certain circumstances
- There are column1/column 2 coding edit tables
  - Column 1 was formerly labeled Comprehensive
  - Column 2 was formerly labeled Component
  - Codes can be differentiated by service type groupings
- Mutually exclusive edit table for procedures that cannot reasonably be performed together

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Why are we discussing NCCI

- Office of Inspector General (OIG) issued a report in October 2004 that in FY 2001 State Medicaid agencies paid \$54 million services that would have been denied based on the NCCI edits
- It is the OIG recommendation that States should be encouraged to explore the use of the NCCI within their Medicaid program
- NOTE: States already receive some of the benefit of the NCCI on Medicare crossover claims

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## Items to consider before implementing NCCI

- ❑ Does the State already have their own version of NCCI, such as combination edits or utilization criteria
- ❑ Each State will need to review their own laws, regulations and policies to determine if the NCCI should be implemented and its potential savings
- ❑ The State may want to consider whether to implement parts of the NCCI instead of the entire NCCI
- ❑ When deciding whether to implement NCCI each State should take into consideration that there are differences in the population they serve compared to the Medicare beneficiaries the edits were designed around

# National Correct Coding Initiative (NCCI)

- For more details please use these Web links
- CMS CCI Edits Manual
- <http://www.cms.hhs.gov/NationalCorrectCodInitEd>
- National Technical Information Service (NTIS) CCI Edits Manual
- <http://www.cms.hhs.gov/NationalCorrectCodInitEd>
- OIG report Applying the National Correct Coding Initiative to Medicaid services
- <http://oig.hhs.gov/oei/reports/oei-03-02-00790.pdf>