



Frequently Asked Questions:

National Correct Coding Initiative (NCCI) Claim Review Edits

1. What is the National Correct Coding Initiative (NCCI)?

A: The Centers for Medicare & Medicaid Services (CMS) developed the National Correct Coding Initiative (NCCI) to promote national correct coding methodologies and to control improper coding leading to inappropriate claims payment. The CMS developed its coding policies based on coding conventions defined in the American Medical Association's Current Procedural Terminology (CPT) manual, national and local policies and edits, coding guidelines developed by national societies, analysis of standard medical and surgical practices, and a review of current coding practices.

2. What are NCCI edits?

A: NCCI edits were developed to prevent improper payments when incorrect code combinations are reported on claims. NCCI edits consist of two types:

- Procedure-to-procedure (column 1/column 2) edits: Define pairs of Healthcare Common Procedure Coding System (HCPCS) and Current Procedural Terminology (CPT-4) codes that should not be reported together. The purpose of these edits is to ensure the most comprehensive groups of codes are billed, rather than the component parts. Additionally this edit checks for mutually exclusive code pairs.
- Medically Unlikely Edits (MUEs): These edits compare the units of service billed on the claim against maximum limits set by CMS for each HCPCS or CPT-4 code. For example, a provider will not be reimbursed for removing more than one complete gall bladder or one appendix.

3. When will claims be subject to NCCI edits?

A: Claims were subjected to procedure-to-procedure edits beginning with previous updates to the clinical claim editor. The December 10, 2012, clinical claim editor update incorporated the MUE, which means that claims received at HP Enterprise Services on and after December 10, 2012, are subjected to MUE.

4. Where can providers get more information on NCCI?

A. NCCI-related information is located on the CMS Medicaid website. At www.medicaid.gov, select "By Topics" from the "Medicaid" tab, click on "Data & Systems" from the left-side menu, click on "Coding and Classification," and then click on "The National Correct Coding Initiative (NCCI) in Medicaid."

5. Are all providers affected by NCCI edits?

A: No. NCCI edits will not be applied to every service and claim. Only claims for services billed with HCPCS/CPT codes will be subject to NCCI edits.

6. Under the MUE edits, if the provider bills with more than the authorized units, will the whole charge deny or will the payer continue to reimburse the authorized units and deny all other excessive units billed?

A: CMS guidelines require DHCFP to reject the line with the MUE edit; therefore, no units will be paid.

7. Can providers submit a new claim with fewer units if the original claim is denied for MUE?

A: Yes.

8. Will NCCI edits be performed on outpatient hospital claims?

A: Yes. NCCI edits will be performed on those lines that are reimbursed by HCPCS/CPT codes.

9. Will NCCI edits be applied to the clinical lab codes?

A: Yes.

10. Can a claim denied for NCCI edits be appealed?

A: The State of Nevada Division of Health Care Financing and Policy (DHCFP) is required to follow NCCI guidelines and does not foresee a great need for this. However, providers who feel there are extenuating circumstances that warrant additional review should use form [FA-90 Claim Appeal Request](#) and review the "Claim Appeals" section of the [Billing Manual](#).