How to Use the Medicaid National Correct Coding Initiative (NCCI) Tools
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What is the Medicaid NCCI?

The CMS National Correct Coding Initiative (NCCI) promotes national correct coding methodologies and reduces improper coding, with the overall goal of reducing improper payments in Medicaid claims.

The Medicaid NCCI includes 2 types of edits:

1. **Procedure to Procedure (PTP) Edits** define pairs of HCPCS and CPT codes that providers shouldn’t report together for various reasons. PTP edits prevent improper payments when incorrect code combinations are reported. Each edit has a Column 1 and a Column 2 HCPCS/CPT code. If a provider reports the 2 codes of an edit pair for the same patient on the same date of service, the Column 1 code is eligible for payment, but the Column 2 code is denied, unless an appropriate modifier is used. We’ll learn more about modifiers later.

2. **Medically Unlikely Edits (MUEs)** define the maximum units of service (UOS) for each HCPCS/CPT code that a provider would report under most circumstances for a single patient on a single date of service. MUEs prevent payment for an inappropriate number or quantity of the same service on a single day.

Note: The Medicaid National Correct Coding Initiative program has significant differences from the Medicare NCCI program. This booklet focuses on how to access and use the Medicaid NCCI files available to the general public. If you’re looking for information on the Medicare NCCI program, visit the Medicare NCCI Edits webpage.

Differences between the 2 programs include:

- Some Medicare NCCI edits aren’t present in the Medicaid NCCI Program, while others are present but differ in some way from the Medicare NCCI edits
- Medicaid NCCI PTP edits for DME are unique to the Medicaid Program (in other words, the Medicare NCCI Program doesn’t have DME NCCI PTP edits)
- The Medicaid NCCI Program has certain edits unique to the Medicaid NCCI Program (for example, edits for codes that are noncovered or otherwise not separately payable by the Medicare Program)
- Unlike Medicare, for which most MUE edits are applied based on the date of service, Medicaid MUEs are applied separately to each line of a claim
**Background**

Per the Social Security Act, states’ Medicaid programs must incorporate compatible NCCI methodologies in their systems for processing Medicaid claims. The 6 methodologies are:

1. PTP edits for practitioner and ambulatory surgical center (ASC) services
2. PTP edits for outpatient services in hospitals (including emergency department, observation, and hospital laboratory services)
3. PTP edits for durable medical equipment (DME)
4. MUEs for practitioner and ASC services
5. MUEs for outpatient services in hospitals
6. MUEs for DME

**AOC**

An Add-on Code (AOC) is a HCPCS/CPT code that describes a service performed in conjunction with the primary service by the same practitioner. An AOC is rarely eligible for payment if it’s the only procedure reported by a practitioner. An add-on code edit would deny an add-on code if the related primary code isn’t reported or is reported but not paid.

Add-on code edits are part of the Medicare NCCI program but are optional under the Medicaid NCCI program. If a state Medicaid agency (SMA) chooses to apply AOC edits, the SMA should characterize these edits and any resulting denials as state-specific edits or denials, not NCCI edits or denials.

The Medicaid NCCI methodologies apply only to Medicaid Fee-for-Service (FFS) claims paid based on HCPCS/CPT codes. This includes claims paid on a FFS basis in state Medicaid Primary Care Case Management managed care programs. Application of NCCI methodologies to FFS claims processed by limited benefit plans or Managed Care Organizations (MCOs) is desirable but optional.

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

Correct coding and reporting of services are critical aspects of proper billing. Providers can’t bill Medicaid patients for a service denied based on Medicaid PTP code pair edits or MUEs. NCCI documents on The Medicaid NCCI webpage help providers avoid coding and billing errors that lead to payment denials.

**Note:** NCCI doesn’t include all possible combinations of correct coding edits or types of unbundling. Providers must code correctly even if there are no edits to prevent incorrect code combinations. If you find out you’ve coded a claim incorrectly, contact your SMA about potential payment adjustments.
How Current are the Medicaid NCCI Tables?

The complete updated Medicaid NCCI edit files are publicly available on the Medicaid NCCI Edit Files webpage at the beginning of each calendar quarter. New edit files replace the Medicaid NCCI edit files from previous calendar quarters. The presence of a HCPCS/CPT code in a PTP edit or an MUE value for a HCPCS/CPT code doesn't mean that any or all state Medicaid programs cover that code. Individual SMAs may have state-specific edits that aren't NCCI edits.

Note: SMAs must download NCCI edit files available on the secure Regional Information Sharing System (RISSNET) portal rather than using the publicly available files on Medicaid.gov because SMAs must make sure they or their vendor use the correct Medicaid NCCI edits to resolve Medicaid claims. The publicly available files on the NCCI Medicaid webpages are for providers and the general public. States can't use the publicly available files for processing and paying Medicaid claims. NCCI edit files on the RISSNET secure portal have more information needed for SMAs' correct claims processing. SMA use of the public files that don't have edit history may result in improper payment or incorrect denials. The public files don't have the Correspondence Language Example Identifiers (CLEIDs) that are in the files on the RISSNET secure portal. CLEIDs provide information to SMAs and fiscal agents about the rationale for NCCI edits that can be used by states to help educate providers about the edits. Visit the Medicaid NCCI Correspondence Language Manual for general information and examples of CLEIDs.

How to Find the Medicaid NCCI Tables and Medicaid NCCI Manuals

Visit the Medicaid National Correct Coding Initiative webpage and click on the links to the Medicaid NCCI Policy Manual, the Medicaid NCCI Technical Guidance Manual (TGM), and the Medicaid NCCI Correspondence Language Manual in the Medicaid NCCI Manuals list on the left side of the page.

Visit the Medicaid NCCI Edit Files webpage to search or download the files.

Note: Medicaid coding NCCI edit decisions are based on:
• Conventions defined in the AMA's CPT Manual
• National and local policies and edits
• Coding guidelines developed by national health care organizations
• Analysis of standard medical and surgical practices
• Review of current coding practices

Before CMS finalizes MUEs, they send the proposed edits for review to: the AMA, national medical or surgical societies, and other national health care organizations, including nonphysician professional societies, hospital organizations, laboratory organizations, and DME organizations.

CMS also sends proposed PTP edits to national health care organizations for review and comment before finalizing them.
Using the Medicaid NCCI Tools

To look up an edit, first choose the Edit Files link in the NCCI for Medicaid dropdown menu at the top of The Medicaid National Correct Coding Initiative webpage as shown in Figure 1.

Figure 1: Medicaid NCCI Webpage
You’ll see the Medicaid NCCI Edit Files webpage as shown in Figure 2.

![Medicaid NCCI Edit Files Webpage](image)

This webpage includes links to Medicaid NCCI edits for DME Services, Outpatient Hospital Services, and Practitioner Services for the current and previous quarters. Choose a link to review the most recent quarter of the NCCI PTP edits or MUEs.

**Helpful Hint**

Remember that PTP and MUE tables are updated quarterly, and you must completely replace saved tables to make sure you use the most current files.

Let’s start with a review of the Medicaid PTP edit files.

**Looking up PTP Code Pair Edits**

Go to the Medicaid NCCI Edit Files webpage. Choose the NCCI PTP Edits link for the services you want, under the Complete Medicaid NCCI Edit Files heading. We’re using the “2023 Q1 NCCI PTP Edits - Practitioner Services” as an example for this booklet. Figure 3 shows the top of the Excel file for NCCI PTP edits, Practitioner Services for the quarter beginning 01/01/2023.
The edits in this PTP file are active for dates of service (January 1, 2023 - March 31, 2023). This file should NOT be used by state Medicaid programs as their edit file.

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<th>Column 1</th>
<th>Column 2</th>
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<th>Deletion Date</th>
<th>Modifier Indicator</th>
<th>PTP Edit Rationale</th>
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<td>CPT Manual or CMS manual coding instructions</td>
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</tbody>
</table>

Figure 3: Medicaid NCCI PTP Practitioner Services Excel File
How to Use PTP Code Pair Edits

The Column 1 and Column 2 columns in the edit files show PTP code pairs. We’ll show how to use the PTP code pair tables with example code 99215. Our examples using the Medicaid NCCI PTP Edits tables and code 99215 will show:

How to Use the Column 1 and Column 2 Tables

- When is a code the reimbursable code of a PTP code pair?
- How do you figure out if Medicaid doesn’t reimburse a code or only reimburses a code if you use an appropriate NCCI PTP-associated modifier?
- When can you use an appropriate NCCI PTP-associated modifier?

What are the Column 1 and Column 2 PTP code pair tables?

The Column 2 code often is part of a more comprehensive Column 1 code. But this isn’t true for many edits. In some types of edits, the PTP code pair edit simply means 2 codes that providers shouldn’t report together, unless you use the correct modifier.

Don’t report certain procedure codes together when they’re mutually exclusive of each other. Mutually exclusive procedures can’t reasonably be performed at the same anatomic site or same patient encounter.

Examples of mutually exclusive procedures:

- When there are different codes for different methods to repair an organ, a provider can only report 1 method to repair the organ.
- A provider can’t report an initial per day service and a subsequent per day service for the same date of service. For example, a provider shouldn’t report Skilled Nursing Facility Evaluation and Management service 99304 (Initial nursing facility care, per day) and 99307 (Subsequent nursing facility care, per day) together on the same day for the same patient by the same practitioner.

When is a code the reimbursable code of a PTP code pair?

The Medicaid NCCI PTP code tables include Column 1 and Column 2 code pairs. If a provider reports the 2 codes of an edit pair on a claim for payment for the same patient on the same date of service, the Column 1 code is eligible for payment and the Column 2 code is denied. But if both codes are clinically appropriate and the edit allows the use of an appropriate NCCI PTP-associated modifier, Medicaid will pay for the codes in both columns. The patient’s medical record must include supporting documentation.

Figure 4 shows part of our example of NCCI Procedure to Procedure (PTP) Edits, Quarter Beginning 01/01/2023. Shown are edit files for Practitioner Services with example code 99215 in the Column 1 column.
How to Use the Medicaid National Correct Coding Initiative (NCCI) Tools

Our search shows a portion of all Column 1 and Column 2 PTP code pairs where 99215 is the payable code and every code that isn’t separately payable when you report it with 99215 (unless a modifier is allowed) based on the Column 1 or Column 2 edits.

Figure 4 shows, for example, that a provider isn’t reimbursed for code 0362T (Behavior identification supporting assessment for patient exhibiting destructive behavior, each 15 minutes of technicians’ face-to-face time) together with 99215 (Office or other outpatient visit) unless you append a modifier.

How do you figure out if Medicaid doesn’t reimburse a code or only reimburses a code if you use an appropriate NCCI PTP-associated modifier?

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

To decide when our example code 99215 is the non-reimbursable code of a PTP code pair, we open an edit files link and use the Filter data button to search for 99215 in the Column 2 column.

If you filter for 99215 in Column 2, you’ll see that Medicaid doesn’t reimburse 99215 with 99221, Initial hospital care, unless you use the correct modifier.
How do you know when to use an appropriate NCCI PTP-associated modifier?

Providers can append modifiers to HCPCS/CPT codes only if the clinical circumstances and documentation justify it. Providers can't append a modifier to a HCPCS/CPT code solely to bypass a PTP code pair edit if the clinical circumstances don't justify its use. If a state Medicaid program imposes restrictions on a modifier, a provider can only use the modifier to bypass an NCCI PTP code pair edit if the Medicaid program allows it.

In the modifier indicator column in the Medicaid PTP tables, the indicator 0, 1, or 9 shows whether a PTP-associated modifier allows the PTP code pair to bypass the edit.

Correct Coding Modifier Indicators

- **0 (Not Allowed):** A modifier indicator of “0” indicates that NCCI PTP-associated modifiers can't be used to bypass the edit.
- **1 (Allowed):** A modifier indicator of “1” indicates that NCCI PTP-associated modifiers may be used to bypass an edit under appropriate circumstances.
- **9 (Not Applicable):** A modifier indicator of “9” indicates that the edit has been deleted.

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 UOS that a provider would report under most circumstances for a single patient on a single date of service.

Not all HCPCS/CPT codes have an MUE.

CMS develops MUEs based on:

- HCPCS/CPT code descriptors
- Coding instructions
- Anatomic considerations
- Established CMS policies
- Nature of service or procedure
- Nature of analyte
- Nature of equipment
- Prescribing information
- Clinical judgment

MUE values aren't utilization or coverage guidelines and don't represent UOS that providers may report without concern about medical review. Providers can only report services that are medically reasonable and necessary. A denial of services due to an MUE is a coding denial, not a coverage or medical necessity denial.
Return to the Medicaid NCCI Edit Files webpage and choose an NCCI MUE link under the Complete Medicaid NCCI Edit Files heading.

Figure 5 shows the unfiltered MUE table on the NCCI Medically Unlikely Edits (MUEs) dataset webpage for Practitioner Services as of the date of writing of this publication.

<table>
<thead>
<tr>
<th>HCPCS/CPT Code</th>
<th>Practitioner Services MUE Values</th>
<th>MUE Rationale</th>
</tr>
</thead>
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<td>Code Descriptor / CPT Instruction</td>
</tr>
<tr>
<td>0001U</td>
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</tr>
<tr>
<td>0002M</td>
<td>1</td>
<td>Nature of Analyte</td>
</tr>
</tbody>
</table>

Figure 5: Portion of Medicaid NCCI MUE Dataset

A  HCPCS/CPT Code
B  Practitioner Services MUE Value: MUEs define for each HCPCS/CPT code the maximum units of service that a provider would report under most circumstances for a single patient on a single date of service
C  MUE Rationale: Shows the rationale for each MUE value

Manuals & FAQs

You can access links to the Medicaid NCCI Policy Manual, Medicaid NCCI TGM, and Medicaid NCCI Correspondence Language Manual by choosing the NCCI for Medicaid drop down Menu from the top of The National Correct Coding Initiative webpage.

Medicaid NCCI Policy Manual

The Medicaid NCCI Policy Manual’s Introduction and Chapter 1 are excellent resources for basic information about proper coding practices and the development of NCCI edits. The Introduction includes general NCCI background information. Chapter 1, General Correct Coding Policies, addresses general coding principles, issues, and policies. Chapters dealing with specific groups of HCPCS/CPT codes further address many of these principles, issues, and policies.

Carefully review chapters that apply to code ranges you bill. These chapters include detailed information about correct coding and NCCI-associated modifiers for separately reportable services.
Medicaid NCCI Technical Guidance Manual (TGM)
The NCCI program updates the Medicaid NCCI TGM annually. The TGM offers technical help for states on correctly and completely implementing NCCI edits.

Medicaid NCCI Correspondence Language Manual
The Medicaid NCCI Correspondence Language Manual offers guidance to providers when a fiscal agent or SMA refers to a CLEID.

Medicaid NCCI FAQ Library
The Medicaid NCCI FAQ Library answers your questions about:
- NCCI
- Support for states
- Published edit files
- NCCI edits and methodologies
- Billing and coding advice

How to Access the Files
This page provides links to NCCI Edit files. To download each edit file, just click on the link listed below. After you click on the desired link, the zip file pops up. The posted zip file contains both text and Excel file(s) formats.

**Note:** Excel limits the number of rows that can be exported in a single file for Excel file to 1,048,576 rows. The Practitioner and Outpatient Hospital PTP edit files both contain significantly more rows than that.

To download the complete edit file, download the zip file to your computer and extract the text and Excel file(s).

**Note:** Send questions about the Medicaid NCCI program to NCCIPTPMUE@cms.hhs.gov.
Resources

- Medicaid NCCI Datasets
- Medicaid.gov
- National Correct Coding Initiative Technical Guidance Manual for Medicaid Services
- Medicaid NCCI Edit Files
- Medicaid NCCI Policy Manual
- The Medicaid National Correct Coding Initiative
- The National Correct Coding Initiative (NCCI)
- National Correct Coding Initiative Correspondence Language Manual for Medicaid Services

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