

PROVIDER BULLETIN

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TO: Nebraska Medicaid Physical & Occupational Therapy Providers

FROM: Vivianne M. Chaumont, Director 
Division of Medicaid & Long-Term Care

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Program Integrity

RE: Procedure Code Modifier 59 and Physical or Occupational Therapy Claims

Please share this information with professional, clinical, administrative, and billing staff.

The Centers for Medicare and Medicaid Services (CMS) requires that state Medicaid programs implement the methodologies of the National Correct Coding Initiative (NCCI). CMS originally developed the NCCI methodologies in 1996 to promote national correct coding methodologies and to control improper coding leading to inappropriate payments of Medicare claims.

The coding policies were developed 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. CMS reviews and updates these policies annually. CMS has reviewed these coding policies and determined that all of the NCCI coding methodologies are appropriate for Medicaid claims. The policies, Medicaid specific NCCI manuals, and additional information can be found at CMS website (<http://www.cms.gov/MedicaidNCCICoding/>).

The NCCI edits are effective for claims received on or after April 1, 2011, for service dates beginning 10/1/2010. Compliance with the edits may be determined prospectively (pre-payment editing that results in a claim denial) or retrospectively (post-payment editing that results in a refund request).

Nebraska Medicaid compared a sample of claims to the NCCI edits and found that most claims were compliant with the CMS expectations. One area of non-compliance was multiple physical or occupational therapy procedure codes being billed on the same service date by the same service rendering provider. In general, NCCI states that providers should not report more than one physical medicine and rehabilitation therapy service for the same fifteen minute period. Modifier 59 may be used to indicate that the two procedure codes were performed in different time intervals. Modifiers may be appended to procedure codes only if the clinical circumstances justify the use of the modifier. Please review the NCCI Manuals on the CMS website for additional information on how to use modifiers with physical and occupational treatment services.

Nebraska Medicaid will continue to publish updates and informational materials as they become available. If you have questions, please contact Anne Harvey via e-mail at anne.harvey@nebraska.gov or via phone at (402)471-1718.