

PROVIDER BULLETIN **No. 15-04**

DATE: January 22, 2015

TO: All Providers Participating in Nebraska Medicaid

FROM: Jeanne M. Larsen, Deputy Director *JML*
Division of Medicaid & Long-Term Care

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Program Integrity

RE: New HCPCS PTP Associated X Modifiers and Modifier 59

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 claim-adjudication rules for NCCI Procedure-to-Procedure (PTP) edits specify that, if an edit pair has a Correct Coding Modifier Indicator (CCMI) of "1" and, if a designated PTP-associated modifier is appropriately appended to either code of the PTP edit pair, then the edit should be bypassed.

There are four new HCPCS modifiers that will be established on January 1, 2015, that should be added to the list of PTP-associated modifiers for Medicaid claims:

- XE Separate encounter: a service that is distinct because it occurred during a separate encounter
- XP Separate practitioner: a service that is distinct because it was performed by a different practitioner
- XS Separate structure: a service that is distinct because it was performed on a separate organ/structure

XU Unusual non-overlapping service: the use of a service that is distinct because it does not overlap usual components of the main service

Modifier 59 will remain a valid PTP-associated modifier. However, the coding instructions for modifier 59 specify that it should be used “only if no more descriptive modifier is available”. Therefore, providers should use one of the new modifiers, instead of modifier 59, if the clinical situation described by one of the new modifiers is present. The appropriate use of modifiers is an important part of the accurate reporting of services on the claim. A modifier should not be appended to a procedure code solely to bypass an NCCI edit. Please review the NCCI Manuals on the CMS website for specific directions on how to use modifiers. That link can be found here: <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Data-and-Systems/National-Correct-Coding-Initiative.html>

It is important that these changes be implemented for Medicaid claims with dates of service on or after January 1, 2015, because failure to do so may result in the inappropriate denial of claims.

Nebraska Medicaid will continue to publish updates and informational materials as they become available. If you have questions, please contact Jennifer Barber via e-mail at Jennifer.Barber@nebraska.gov or via phone at (402)471-0800.

If you have questions about NCCI, NCCI related denials, adjustments or appeals, please contact Jennifer Barber via e-mail at jennifer.barber@nebraska.gov or via phone at (402)471-0800.

Information about the Nebraska Medicaid implementation of the National Correct Coding Initiative is available on the Department’s website at: http://dhhs.ne.gov/medicaid/Pages/med_ncci.aspx

The Centers for Medicare and Medicaid Services (CMS) provides the most comprehensive information about the National Correct Coding Initiative. Their website is: <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Data-and-Systems/National-Correct-Coding-Initiative.html>