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## Correct Coding Initiative (CCI) Edits to Apply to ALL Therapy Providers

### Provider Types Affected

Skilled nursing facilities (SNFs), comprehensive outpatient rehabilitation facilities (CORFs), outpatient physical therapy and speech-language pathology providers (OPTs), and home health agencies (HHAs)

### Provider Action Needed



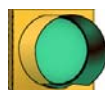
#### STOP – Impact to You

Effective January 1, 2006, the Medicare CCI edits will be applied to **ALL** outpatient services furnished by the above mentioned providers.



#### CAUTION – What You Need to Know

Be aware that application of CCI edits under the Physician Fee Schedule (PFS) will make uniform the manner in which all outpatient rehabilitation therapy services - including physical therapy, occupational therapy, and speech-language pathology services - are paid. To review the CCI edits that apply to Medicare Part B services paid by Medicare fiscal intermediaries (FIs) see <http://www.cms.hhs.gov/NationalCorrectCodInitEd/NCCIEHOPPS/list.asp> on the CMS website.



#### GO – What You Need to Do

Affected providers should begin immediately to prepare their systems with any necessary software, educate their staff and management about the 2006 CCI application to their claims, and watch for forthcoming information from CMS and their local contractor (carrier or fiscal intermediary), after October 1, 2005, **although the CCI concept should not be unfamiliar— just its application.**

#### Disclaimer

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<http://www.cms.hhs.gov/NationalCorrectCodInitEd/NCCIEHOPPS/list.asp> on the CMS website.

## Additional Information

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There is MLN information on the web written about the CCI edits. The MLN Matters article numbers are MM3244, MM3995, MM3823, MM3349, and MM3688 and can be viewed by going to the following articles:

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3244.pdf>;

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3995.pdf>;

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3823.pdf>;

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/mm3349.pdf> and

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3688.pdf> on the CMS website.

Another MLN product is a CCI Reference Guide published in 2002. The Guide is comprehensive and helpful in terms of acquainting the reader with the entire CCI edit process. Keep in mind that the latest edits will always be available on the web—this Guide is excellent background information and available at [http://www.cms.hhs.gov/NationalCorrectCodInitEd/01\\_overview.asp#TopOfPage](http://www.cms.hhs.gov/NationalCorrectCodInitEd/01_overview.asp#TopOfPage) on the CMS website.

Another version of this guide focused on the viewpoint of interest to hospitals may be found at <http://www.cms.hhs.gov/NationalCorrectCodInitEd/NCCIEHOPPS/list.asp> on the CMS website.

A version of the CCI guide for physicians may be found at <http://www.cms.hhs.gov/NationalCorrectCodInitEd/NCCIEP/list.asp#TopOfPage> on the CMS website.

The following site describes eleven therapy billing scenarios and scenario number six explains CCI edits with modifier 59, an excellent reference for all types of billing: [http://www.cms.hhs.gov/TherapyServices/02\\_billing\\_scenarios.asp#TopOfPage](http://www.cms.hhs.gov/TherapyServices/02_billing_scenarios.asp#TopOfPage) on the CMS website.

Further information on these CCI edit applications will be made available via future MLN Matters articles as well. Watch the MLN Matters site and information made available from your carrier/intermediary for further developments. As always, if you have questions, please contact your carrier or intermediary at their toll free number available at <http://www.cms.hhs.gov/apps/contacts/> on the CMS website.

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## Background

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This Special Edition, SE0545, is published by the Centers for Medicare & Medicaid Services (CMS) as a “heads-up” to institutional therapy providers to make certain that they are aware of the changes in Medicare’s payment processes that are to begin January 1, 2006. **It is important to note that the CCI edits are applied to services billed by the same provider for the same beneficiary on the same date of service.**

Medicare’s National Correct Coding Initiative (NCCI) is an edit system that was developed to promote national correct coding methodologies and eliminate improper coding. These edits are developed based on coding conventions defined in the American Medical Association’s Current Procedural Terminology (CPT) manual, current standards of medical and surgical coding practice, input from specialty societies, and analysis of current coding practices.

Carriers currently apply the CCI edits to all practitioners filing claims for rehabilitation therapy services, including the services of physicians (and their incident-to services) and the services provided by physical therapists and occupational therapists in private practices. Additionally, CCI edits are applied in the outpatient hospital setting by the intermediaries, including rehabilitation therapy services. However, until now, CCI edits have not been applied to other institutional therapy providers of outpatient rehabilitation therapy services, including physical therapy (PT), occupational therapy (OT), and speech-language pathology (SLP) services. These institutional therapy providers include:

- Skilled nursing facilities (SNFs),
- Comprehensive outpatient rehabilitation facilities (CORFs),
- Outpatient physical therapy and speech-language pathology providers (OPTs), and
- Home health agencies (HHAs).

In January 1999, the institutional therapy providers were changed, via the 1997 Balanced Budget Act (BBA) requirements, from cost-based reimbursement to payment under the Medicare physician fee schedule (MPFS). At that time, these entities were granted a temporary postponement from the CCI edits because there was no Outpatient Code Editor (OCE) CCI mechanism in place.

Congressional concerns about rising utilization of therapy services and the fact that these facilities have had 5-plus years to adjust to the billing requirements of the MPFS, CMS has determined that this is the appropriate time to apply the CCI edits in these settings. Application of the CCI edits ensures that all therapy providers are subject to the same billing and coding rules and requirements. It is believed that these changes will have a positive budgetary effect as it incorporates safeguards against improper coding and over-payment of therapy services.

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***Billing Instructions***

Skilled Nursing Facilities (SNFs), comprehensive outpatient rehabilitation facilities (CORFs), outpatient physical therapy and speech-language pathology providers (OPTs) (sometimes referred to as rehabilitation agencies), and HHAs (home health services not under a home health plan of treatment) will see the CCI edits applied to types of bills (TOB) as follows:

<b>Skilled Nursing Facilities (SNFs):</b>	
• Skilled Nursing Facility Inpatient Part B	TOB 22X
• Skilled Nursing Facility Outpatient	TOB 23X
Comprehensive Outpatient Rehabilitation Facilities (CORFs)	TOB 75X
Rehabilitation Agencies/Outpatient Physical Therapy and Speech-Language Pathology Providers (OPTs)	TOB 74X
Home Health Agency (HHAs) (home health services not under a home health plan of treatment)	TOB 34X

The CCI edits will be applied to the above bill types as of January 1, 2006. Since calendar year 2000, the edits have been applied to all services, including outpatient therapy services, provided by OPSS hospitals.

Please also note the following billing pointers:

- A therapy billing web page, developed specifically for PTs and OTs, contains billing information and includes the requirements that are necessary pre-conditions to the service delivery framework that CMS assumes is in place when Part B therapy services are delivered. This site outlines the “assumptions” for payment of outpatient Part B PT and OT therapy services and lists some references to help underscore that all of these services are subject to the payment rules of the MPFS. This information can be found or accessed at <http://www.cms.hhs.gov/TherapyServices/> on the CMS website.
- Physical and occupational therapists (PTs and OTs) and their therapy assistants - physical therapist assistants (PTAs) and occupational therapy assistants (OTAs) - and speech-language pathologists (SLPs) must all meet Medicare personnel qualifications at 42 CFR 484.4 to provide outpatient therapy services in these therapy providers. The standards that apply to

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therapists are detailed in our manual at Pub. 100-02, chapter 15, sections 220 and 230.

- Affected providers should pay special note to modifier -59 that permits a distinct procedural service to be billed for the same patient on the same day by the same provider. These distinct services are identified as independent of other services provided that day by using the modifier -59. At the [http://www.cms.hhs.gov/TherapyServices/02\\_billing\\_scenarios.asp#TopOfPage](http://www.cms.hhs.gov/TherapyServices/02_billing_scenarios.asp#TopOfPage) website, scenario #6 (of 11 scenarios) contains the following example of the use of modifier -59:
  - Billing for both individual (one-on-one) and group services provided to the same patient in the same day is allowed, provided the CMS and coding rules for one-on-one and group therapy are both met, and that the group therapy session be clearly distinct or independent from other services and billed using a -59 modifier.
  - The group therapy CPT code (97150) and the direct one-on-one 15-minute CPT code for therapeutic exercises (97110), are a mutually exclusive CCI code pair: 97150 is the column one code, 97110 is the column two code, and the -59 modifier is permitted to be used.
  - This requires the group therapy and the one-on-one exercise therapy to occur in different sessions, separate encounters, or different timeframes – occurring sequentially, not concurrently - that are distinct or independent from each other.
  - The therapist would bill for both group therapy and therapeutic exercises, appending the -59 modifier to the column two code, 97110. Without the -59 modifier, payment would be made for the column one group therapy CPT Code, 97150. The CCI edits are based upon interpretation of coding rules.
- Review the FAQs explaining two kinds of Edits: FAQ 3373 (Column1/Column2) and FAQ 3372 (Mutually Exclusive). Click on [http://questions.cms.hhs.gov/cgi-bin/cmshhs.cfg/php/enduser/std\\_alp.php](http://questions.cms.hhs.gov/cgi-bin/cmshhs.cfg/php/enduser/std_alp.php) and enter NCCI in the search box
- The preceding bullet point refers to the code pairs that are a crucial underpinning of the CCI edits. Keep in mind that whether you bill a carrier or an intermediary, the CCI principles and logic are the same. However, a few code-pair edits and the -59 modifier applicability may vary from the two versions: OPPS and physician. Remember that the NCCI edits are updated quarterly and the hospital version is one calendar quarter behind the carrier “physician” version. Review the background information regarding the NCCI edits for the Hospital Outpatient Prospective Payment (OPPS) at

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