Dermatology Coding Alert

Teaching Tool: Learn the 3 NCCI Rules and Throw Away Bundling Snafus

Ride the -59 wave to override the appropriate bundles

As January 2005 brings the NCCI version 11.0 lesion destruction and debridement edits to your front door, you should know how the edits effect your reimbursement and when to override the edits.

Follow these three rules to learn to ethically maximize your bottom line correctly while minimizing your misunderstandings of the NCCI restrictions.

Rule 1: Know Which Codes Impact Your Practice

NCCI edits are pairs of CPT or HCPCS Level II codes that Medicare and many private payers will not reimburse separately except under certain circumstances.

Example: The most recent edition of NCCI (version 11.0, January 2005) includes mutually exclusive edits pairing the new debridement code (11004, Debridement of skin, subcutaneous tissue, muscle and fascia for necrotizing soft tissue infection; external genitalia and perineum) with the new debridement code for with or without fascial closure (11006, ... external genitalia, perineum and abdominal wall, with or without fascial closure).

Note: For more on the debridement edits, see the December 2004 Dermatology Coding Alert.

This pairing means that a physician cannot report 11004 and 11006 for the same patient on the same day and expect to receive reimbursement for both procedures.

Exception: NCCI does designate this pair with a \"1,\" which we explain below.

Rule 2: Learn How the Edits Affect Your Pay

NCCI contains two types of edits: mutually exclusive and \"column 1/column 2\" (previously known as \"comprehensive/component\" edits).

Mutually exclusive edits pair procedures or services that the physician could not reasonably perform at the same session on the same beneficiary, says **Kelly Dennis, CPC, EFPM,** owner of the consulting firm Perfect Office Solutions in Leesburg, Fla.

For example, NCCI lists 17000 (Destruction [e.g., laser surgery, electrosurgery, cryosurgery, chemosurgery, surgical curettement], all benign or premalignant lesions [e.g., actinic keratoses] other than skin tags or cutaneous vascular proliferative lesions; first lesion) as mutually exclusive of 17260 (Destruction, malignant lesion [e.g., laser surgery, electrosurgery, cryosurgery, chemosurgery, surgical curettement], trunk, arms or legs; lesion diameter 0.5 cm or less).

Because these are mutually exclusive codes, the payer does not expect that a dermatologist would provide both services on the same date at the same anatomic location for the same patient.

If you attempt to report two mutually exclusive codes for the same patient during the same session, Medicare will reimburse you only for the lesser-valued of the two procedures (in the case of 17000 [reimbursement = $62] and 17260 [reimbursement = $85], the payer would reimburse only 17000).

Rule 3: Know When You Can Override the Edits

If NCCI designates a \"1\" in the modifier indicator, you can override the bundle under certain circumstances. An indicator of 1 means you may use a modifier to override the edit if the procedures are distinct from one another.

For example, the edit bundling the new debridement code (11004) to the debridement code with or without fascial closure (11006) includes a 1 modifier indicator. So if the physician performs the 11004 debridement procedure at a different location than the debridement with or without fascial closure (11006), you may report the services independently.

On the other hand: A \"0\" indicator means that you may not unbundle the edit combination under any circumstances, according to NCCI guidelines.

Next step: Verify that the procedures are independent and distinct. You should attempt to override NCCI code pair edits only if the paired procedures are separate and unrelated, coding experts say.

For instance, the physician may have provided the services/procedures at different sessions, at different anatomic locations or for different diagnoses.

Append -59 if You\'ve Met the Above Requirements

You must append modifier -59 (Distinct procedural service) to the column 2 code to indicate to the payer that the billed procedures are distinct and separately identifiable, says **Beth Glenn, CPC, CMA,** certified coder for Jefferson Physicians in Jefferson City, Tenn.

\"Without modifier -59, the payer will simply apply the NCCI edits and deny payment,\" she says.

You can access NCCI updates through the CMS Web site www.cms.hhs.gov/physicians/cciedits/default.asp.