BlueCross BlueShield of North Carolina

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Corporate Reimbursement Policy

Outpatient Code Editor (OCE) Edits

File Name: outpatient_code_editor_oce_edits
Origination: 10/2015
Last Review: 12/2019
Next Review: 12/2020

Description

The Outpatient Code Editor (OCE) is an editing system created and maintained by CMS to process outpatient facility claims. The OCE edits identify incorrect and inappropriate coding of these claims.

The National Correct Coding Initiative (NCCI or CCI) was developed by CMS to promote consistent and correct coding methodologies. NCCI rules look for code pairs that should not be billed together on the same date for the same patient. The hospital procedure-to-procedure (PTP) code pairs operate the same as the practitioner PTP code pairs; however modifiers and coding pairs may differ because of differences between facility and professional services. Applicable NCCI edits are incorporated into the OCE.

BCBSNC has adopted a subset of the OCE edits and will use these in processing outpatient facility claims.

The global surgical package includes all necessary services normally furnished by the surgeon before, during and after a surgical procedure. The global period also includes Evaluation and Management services that are related to the procedure. Payment for related medical or surgical services performed the day prior to, the day of, or within 90 days of a major surgical procedure is included in global allowance. Payment for related medical or surgical services performed the same day as a minor surgical procedure, as well as medical or surgical services performed within 10 days of a 10 day procedure, is included in the global allowance. Global surgery guidelines also apply to facility claims.

See also policy titled “Bundling Guidelines”

Policy

Blue Cross Blue Shield North Carolina (BCBSNC) will not provide reimbursement for services identified through the OCE editing system as billing/coding errors.

Benefits Application

This policy relates only to the services or supplies described herein. Please refer to the Member's Benefit Booklet for availability of benefits. Member's benefits may vary according to benefit design; therefore member benefit language should be reviewed before applying the terms of this policy.

OCE Edits

Outpatient Code Editor (OCE) Edits

Edit	Generated when:
Invalid diagnosis code	The principal diagnosis field is blank or the entered diagnosis code is not valid.
Diagnosis and age conflict	The diagnosis code includes an age range and the age is outside this range.
Invalid procedure code	The entered HCPCS code is not valid.
Code 2 of a code pair that is not allowed by NCCI unless an appropriate modifier is appended to Code 2	The procedure is of the column 2 code in a pair of procedures denoted with a modifier indicator of "1", meaning an appropriate modifier may be allowed to append the code pair and bypass the edit. However, where the medical documentation does not support the use of the modifier on Code 2 of the code pair, the edit will be enforced and Code 2 of the code pair will be rejected.
Code 2 of a code pair that is not allowed by NCCI even if appropriate modifier is present	The procedure is the column 2 code in a pair of procedures, denoted with a modifier indicator of "0", meaning no modifier may be allowed to append the code pair and bypass the edit. There are no circumstances in which both procedures of the code should be paid for the same member on the same day by the same provider.
Invalid modifier	Modifier is not valid.
Invalid date	The From, Through, or Service date is invalid, or the service date falls outside the range of the From and Through dates.
Invalid age	The age is non-numeric or outside the range of 0-124 years.

Policy Guidelines

BCBSNC reserves the right to implement service edits to apply correct coding guidelines for CPT, HCPCS, and ICD-9/ICD-10 diagnosis and procedure codes. Service edits are in place to enforce and assist in a consistent claim review process.

Generally, BCBSNC will follow NCCI edits as developed by CMS. The column 2 code is incidental to the column 1 code and not eligible for separate reimbursement. However, pulse oximetry (codes 94760, 94761), billed with any other service or procedure, is considered incidental to other service(s) billed. Pulse oximetry, in any setting, is not eligible for separate reimbursement. (See also Reimbursement Policy titled "Bundling Guidelines".)

National Correct Coding Initiative (NCCI) edits are available at:
https://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/NCCI-Coding-Edits.html

Outpatient Code Editor (OCE) Edits

Evaluation and Management services during the global surgical period that are related to the surgical procedure are not eligible for separate reimbursement. Global surgery edits apply to professional and facility claims.

Billing/Coding/Physician Documentation Information

This policy may apply to the following codes. Inclusion of a code in this section does not guarantee that it will be reimbursed. For further information on reimbursement guidelines, please see Administrative Policies on the Blue Cross Blue Shield of North Carolina web site at www.bcbsnc.com. They are listed in the Category Search on the Medical Policy search page.

Applicable service codes: *refer to section "OCE Edits"*

Scientific Background and Reference Sources

Reimbursement Policy Oversight Committee review 10/26/2015

https://www.cms.gov/Medicare/Coding/OutpatientCodeEdit/index.html

How to Use the Medicare National Correct Coding Initiative (NCCI) Tools. Available at: https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/How-to-Use-NCCI-Tools.pdf

Policy Implementation/Update Information

10/30/15 New policy developed regarding Outpatient Code Editor (OCE) Edits. BCBSNC will not provide reimbursement for services identified through the OCE editing system as billing/coding errors. **Notification date 10/30/15 for effective date of 12/30/2015**. (an)

12/30/16 Routine policy review. Removed edit for invalid sex. (an)

7/28/17 Revised wording for the 4th and 5th items in the OCE Edits table. Item 4: Code 2 of a code pair that is not allowed by NCCI unless an appropriate modifier is appended to Code 2. The procedure is of the column 2 code in a pair of procedures denoted with a modifier indicator of "1", meaning an appropriate modifier may be allowed to append the code pair and bypass the edit. However, where the medical documentation does not support the use of the modifier on Code 2 of the code pair, the edit will be enforced and Code 2 of the code pair will be rejected. Item 5: Code 2 of a code pair that is not allowed by NCCI even if appropriate modifier is present. The procedure is the column 2 code in a pair of procedures, denoted with a modifier indicator of "0", meaning no modifier may be allowed to append the code pair and bypass the edit. There are no circumstances in which both procedures of the code should be paid for the same member on the same day by the same provider. (an)

12/29/17 Routine policy review. No change to policy. (an)

12/31/18 Routine policy review. Statement added to Policy Guidelines for clarification: Generally, BCBSNC will follow NCCI edits as developed by CMS. The column 2 code is incidental to the column 1 code and not eligible for separate reimbursement. However, pulse oximetry (codes 94760, 94761), billed with any other service or procedure, is considered incidental to other service(s) billed. Pulse oximetry, in any setting, is not eligible for separate reimbursement. (See also Reimbursement Policy

titled “Bundling Guidelines”.) (an)

1/14/20 Routine policy review. Senior Medical Director approved 12/2019. No changes to policy statement. (an)

5/12/20 Updated description section to include global surgical package description. Added reference to Bundling Guidelines policy. Statement added to Policy Guidelines section: Evaluation and Management services during the global surgical period that are related to the surgical procedure are not eligible for separate reimbursement. Global surgery edits apply to professional and facility claims. **Notification given 5/12/2020 for effective date 7/14/2020**. (bb)