June 8, 2018

ATTENTION: Providers and Billing Professionals

FROM: South Dakota Medicaid

RE: NCCI and MUE System Update

South Dakota Medicaid has contracted with a new vendor to update the system used for National Correct Coding Initiative (NCCI) edits and Medically Unlikely Edits (MUE). While this update will not affect how the process for submitting claims, new edits may appear on your remittance advice.

Providers should review the NCCI Coding Policy Manual on a routine basis and bill in accordance with the edits in the manual. Information about NCCI and MUE edits may be found here: https://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/index.html

Some items to remember:

- Anesthesia services require an appropriate anesthesia modifier to denote whether the service was personally performed, medically directed, or medically supervised. For more information on anesthesia and other modifiers please review ARSD § 67:16:02:03.02.

- When billing an inpatient claim, the present on admission indicator must be reported as applicable.

- The new system will analyze billed CPT codes to determine if bundling or un-bundling applies. This will allow South Dakota Medicaid to pay claims in alignment with the NCCI coding standards. This includes, but is not limited to, CPT codes: 99000, 36416, 90885, 97602, and 20936.

The new system will also examine billed diagnosis codes. This analysis will include but is not limited to, relevance of age, gender, procedure code(s), and other diagnosis codes billed.

If you have questions, please South Dakota Medicaid at 1-800-452-7691.

Sincerely,
South Dakota Medicaid