



## OUTPATIENT CODE EDITOR (OCE) EDITS

File Name: outpatient\_code\_editor\_oce\_edits

Origination: 10/2015

Last Review: 6/2022

Next Review: 12/2022

### 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.

### Policy

**Blue Cross NC will reimburse services identified through the OCE editing system as billing/coding errors according to the criteria outlined in this policy.**

### Reimbursement Guidelines

Blue Cross Blue Shield North Carolina (Blue Cross NC) has adopted OCE edits and will use these in processing outpatient facility claims.

#### **Sample of OCE Edits (not all inclusive)**

| 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/CPT® code is not valid.   |
| Code two of a code pair that is not allowed by NCCI unless an appropriate modifier is appended to code pair | The procedure is of the column two 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 the code pair, the edit will be enforced and Code two of the code pair will be rejected. |
| Code two of a code pair that is not allowed by NCCI   | The procedure is the column two code in a pair of procedures, denoted with a modifier indicator of "0", meaning no modifier may be allowed to append the code pair  |



|   |   |
|---|---|
| even if appropriate modifier is present | 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.   |

Blue Cross NC will follow NCCI edits as developed by CMS. The column two code is incidental to the column one code and not eligible for separate reimbursement. See separate reimbursement policy "NCCI."

## Rationale

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

National Correct Coding Initiative (NCCI) edits are available at:

<https://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/NCCI-Coding-Edits.html>

OCE edits are available at:

<https://www.cms.gov/Medicare/Coding/OutpatientCodeEdit>

## Billing and Coding

Applicable codes are for reference only and may not be all inclusive. For further information on reimbursement guidelines, please see Administrative Policies on the Blue Cross NC web site at [www.bcbsnc.com](http://www.bcbsnc.com). They are listed in the Category Search on the Medical Policy search page.

## Related policy

### Bundling Guidelines

### Global Surgery

### NCCI

## References

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>

Healthcare Common Procedure Coding System



American Medical Association, *Current Procedural Terminology* (CPT®)

Centers for Disease Control and Prevention, International Classification of Diseases, 10<sup>th</sup> Revision

## History

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|----------|--|
| 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)  |
| 12/31/20 | Routine policy review. Medical Director approved 12/2020. No changes to policy statement. (eel)  |
| 5/18/21  | Removed OCE exception language from Description and Rationale sections. <b>Notification 5/18/2021 for effective date 7/28/2021.</b> (eel)  |
| 12/30/21 | Routine policy review. Medical Director approved. (eel)  |
| 6/1/22   | Policy language updated throughout. Added "Blue Cross Blue Shield North Carolina (Blue Cross NC) has adopted OCE edits and will use these in processing outpatient facility claims." and "Sample of OCE Edits (not all inclusive)" to Reimbursement Guidelines. Clarified modifier usage pertains to code pair, not just column two code. Medical Director approved. <b>Notification 3/31/2022 for effective date 6/1/2022.</b> (eel)  |

## Application



**BlueCross BlueShield  
of North Carolina**

## Commercial Reimbursement Policy

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These reimbursement requirements apply to all commercial, Administrative Services Only (ASO), and Blue Card Inter-Plan Program Host members (other Plans members who seek care from the NC service area). This policy does not apply to Blue Cross NC members who seek care in other states.

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.

### Legal

Reimbursement policy is not an authorization, certification, explanation of benefits or a contract. Benefits and eligibility are determined before medical guidelines and payment guidelines are applied. Benefits are determined by the group contract and subscriber certificate that is in effect at the time services are rendered. This document is solely provided for informational purposes only and is based on research of current medical literature and review of common medical practices in the treatment and diagnosis of disease. Medical practices and knowledge are constantly changing and Blue Cross NC reserves the right to review and revise its medical and reimbursement policies periodically.

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