



# WPS Medicare

## Computer Based Training on National Coverage Determinations (NCDs)

# **What Will I Gain?**

- **Definition of National Coverage Determination**
- **Understanding of National Coverage Determinations versus Local Coverage Determinations**
- **How to locate the Medicare National Coverage Determinations Manual and other references**
- **Understand the procedure to request a change to an NCD**

# **What is a National Coverage Determination?**

- **The Centers for Medicare & Medicaid Services (CMS) creates NCDs for granting, limiting, or excluding Medicare Coverage for a specific medical service, procedure, or device**
- **NCDs are made under section 1862(a) (1) of the Social Security Act**

# **National Coverage Determination**

- **National Coverage Determination is the formal instruction regarding processing of claims**
  - **When to pay**
  - **When not to pay**
  - **Pay only when certain clinical conditions are met**
  - **Posted on CMS coverage database**

# Are National Coverage Determinations Nationwide?

- Decisions apply nationwide and are binding on ***all Medicare Contractors:***
  - Fiscal intermediaries
  - Carriers
  - Medicare Administrative Contractors
  - Quality improvement organizations
  - Health maintenance organizations
  - Competitive medical plans
  - Health care prepayment plans for purpose of Medicare coverage

# **Does National Coverage Determinations Supersede Local Coverage Determinations (LCDs)?**

- **National Coverage Determinations *always* supersedes LCDs**
- **Local Coverage Determinations can't be more or less restrictive**

# **How Can I Look Up a National Coverage Determination?**

- **Online Database**
  - **Maintained by Centers for Medicare & Medicaid Services (CMS)**
- **Available to the public**
- **[www.cms.hhs.gov/coverage/](http://www.cms.hhs.gov/coverage/)**

# **Medicare National Coverage Determinations Manual (1)**

- **This manual replaced Medicare Coverage Issues Manual**
  - **CMS Internet Only Manual Publication 100-3**
- **Chapter 1 consists of four parts:**
  - **Section 10-80.12**
  - **Sections 90-160.25**
  - **Sections 170-190.34**
  - **Sections 200-310.1**

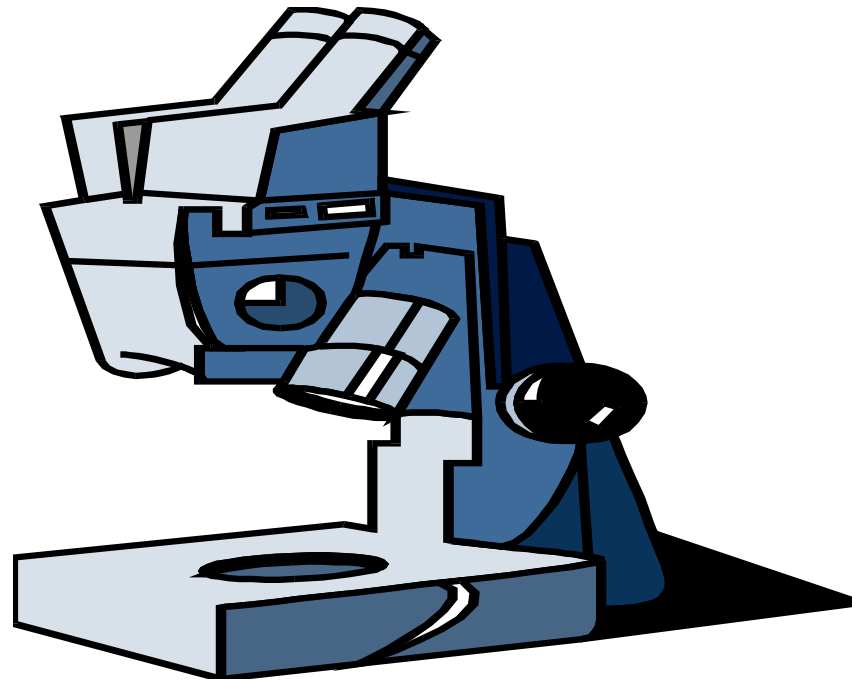
# **Medicare National Coverage Determinations Manual (2)**

- **Chapter 2 (not yet available)**
  - **HCPCS Codes for services described in  
National Coverage Determinations Manual**

# **How Do Providers Make A Request To Change A National Coverage Determination?**

- **[www.cms.hhs.gov/coverage/](http://www.cms.hhs.gov/coverage/)**
  - **Click on How to Request an NCD**
- **Providers may request a change to a  
NCD**
  - **Follow instructions**
  - **“NCD Reconsideration Process”**

# **National Coverage Determination (NCD) for Clinical Diagnostic Lab Services**



# **NCD Application**

- **Lab NCD's are national policy statements granting, limiting or excluding Medicare coverage for a specified test**
- **The NCD covers each of 23 clinical diagnostic laboratory services**
  - **Standard systems contain diagnosis - to - procedure edit tables that allow processing of claims for these 23 laboratory services.**
  - **Complete Blood Count NCD does not contain the covered ICD-9-CM codes**

# **First List: ICD-9-CM Codes Covered by Medicare**

- **For each of the 23 clinical diagnostic lab service NCDs there are lists of CPT codes identifying the service and three lists of ICD-9-CM codes**
- **ICD-9-CM codes**
  - **Diagnosis codes considered for coverage by Medicare (with presumption of medical necessity).**
    - **Claims may be subject to manual review to determine reasonable and necessary**
    - **May establish medical review edits to supplement or further refine the code lists at a local level**

# **Second List: ICD-9-CM Codes Denied by Medicare**

- **Diagnosis codes denied (codes that are never covered by Medicare)**
  - **May be billed directly to the beneficiary by lab**
  - **May issue a Notice of Exclusion from Medicare Benefits to inform beneficiary**
  - **Advance Beneficiary Notice not appropriate because it is not covered by statute**

# **Third List: ICD-9-CM Codes That Do Not Support Medical Necessity**

- **Diagnosis codes that generally *do not* support medical necessity**
  - **Generally not covered**
    - **Obtain an Advance Beneficiary Notice from beneficiary prior to admission for tests with diagnoses on this list**

# **Auto Denials Related to Lab NCD**

- **Edit module updated quarterly**
- **LCDs pertaining to the 23 lab  
NCDs were archived**
- **Providers should refer to NCD**

# **Quarterly Update of Laboratory NCD Edit Software**

- **Updates are made to the Laboratory NCD edit module by CMS quarterly**
  - **CMS updates the Laboratory NCD code list to incorporate new codes, correct errors, incorporate the results of Coding Analysis and incorporate reconsideration of the Laboratory NCDs that alter covered indications**
- **Updates can be found at:**  
**<http://www.cms.hhs.gov/MLNProducts/>**  
**(Click on drug coverage)**

# **Guidance on Coding NCD Laboratory Tests**

- **Claims should be submitted with codes that describe:**
  - **signs**
  - **symptoms, or**
  - **condition that is related to the indications for the test**
- **These should be reported in one of the 9 diagnosis fields**

# Appeals

- **If a claim denies with a reason code 54NCD, and the provider feels the ICD-9 code is correct, the provider may request an appeal**

# **Hardcopy Adjustment**

- **If a claim denies with a reason code 54NCD, and the provider determines that the ICD-9 code is not correct, the provider may submit a hard copy adjustment**
  - **The Appeals area does not handle correction of coding errors**

# **Provider Recommendation**

- **It is recommended that providers review the National Coverage Determination updates**
  - **Verify what may be billed to Medicare**
  - **Update internal systems accordingly**
- **NCD updates can be found at:**  
**[www.cms.hhs.gov/coverage/](http://www.cms.hhs.gov/coverage/)**

# References

- **National Coverage Determinations Manual, CMS Publication, 100-3**
- **CMS Websites**
  - <http://www.cms.hhs.gov/coverage/>
- **WPS Medicare Website**
  - <http://www.wpsmedicare.com>

***This presentation is intended to be used for educational purposes only.***

***Medicare regulations and guidelines are to be used as the final authority.***

**Thank you, you have completed  
the CBT.**

**Would you like to take a 10 question  
knowledge check?**

Yes, let's get started.

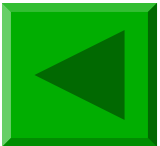
No, please take me back to  
WPS Medicare's Provider  
Homepage.

**CMS creates National Coverage Determinations for granting, limiting, or excluding Medicare coverage for a specific medical service, procedure, or device.**

True

False

**That is not correct, please try  
again.**



**This is true. CMS creates  
National Coverage  
Determinations for granting,  
limiting, or excluding Medicare  
coverage for a specific medical  
service, procedure or device.  
Please refer to slide 3.**

**National Coverage Determinations  
are not applicable nationwide and  
are not binding on all Medicare  
contractors.**

True

False

**This is false. National Coverage Determinations are applicable nationwide and are binding on all Medicare contractors. Please refer to slide 5.**

National Coverage Determinations  
manual are located in the CMS  
Manual 100-3.

True

False

**This is true. The National Coverage Determination manual is located in the CMS Manual 100-3. Please refer to slide 8.**

Changes are made to the  
Laboratory National Coverage  
Determinations edit module by  
CMS quarterly.

True

False

**This is true. Changes to the  
Laboratory National  
Coverage Determinations edit  
module are made quarterly.  
Please refer to slide 16.**

The first list of the National Coverage Determinations regarding clinical laboratory services contain ICD-9-CM codes denied by Medicare.

True

False

**This is false. The first list of the  
National Coverage  
Determinations for clinical  
laboratory services contain ICD-  
9-CM codes covered by  
Medicare. Please refer to slide  
13.**

Diagnosis codes for lab services are listed in one of two ICD-9-CM categories.

True

False

**This is false. Diagnosis codes for lab services are listed in one of 3 categories. Please refer to slides 13 through 15.**

**National Coverage Determinations  
always supersede Local Coverage  
Determinations.**

True

False

**This is true. National Coverage  
Determinations supersede Local  
Coverage Determinations.  
Please refer to slide 6.**

The database for the online National Coverage Determinations is maintained by WPS Medicare.

True

False

**This is false. The database for the online National Coverage Determination is maintained by the Centers for Medicare & Medicaid Services (CMS). Please refer to slide 7.**

National Coverage Determinations are the formal instructions for claims processing (i.e., when to pay a service and when not to pay a service).

True

False

**This is true. The National Coverage Determinations are the formal instructions of claims processing. Please refer to slide 4.**

Any new National Coverage Determinations will be published in the Coverage Issues Manual.

True

False

**This is false. Any new National Coverage Determinations will be published in the National Coverage Determinations Manual (100-3). Please refer back to slide 8.**

# Thank you, you have completed the Knowledge Check.

Would you like to take another CBT?

Yes, let's get started.

No, please take me back to  
WPS Medicare's Provider  
Homepage.