



**CABINET FOR HEALTH AND FAMILY SERVICES  
DEPARTMENT FOR MEDICAID SERVICES**

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**Audrey Tayse Haynes**  
Secretary

**Lisa D. Lee**  
Commissioner

Date: February 6, 2015  
To: MCO, Behavioral Health Area  
From: Department for Medicaid Services  
RE: Clarification of Behavioral Health Services  
• NCCI Resolution Process

Based on conversations between individual providers, provider associations, the Managed Care Organizations (MCOs) and the Department for Medicaid Services (DMS), following please find the finalized NCCI Resolution Process. All MCOs shall have the appropriate system changes implemented no later than April 1, 2015.

Below you will find clarification regarding claims submitted by the former IMPACT Plus providers for psychotherapy (individual, family or group) provided to clients up to three (3) hours per day. Should you have any questions, please feel free to forward them to [DMS.Issues@ky.gov](mailto:DMS.Issues@ky.gov).

**National Correct Coding Initiative (NCCI) Resolution Process:**

Providers submitting claims for up to three (3) hours of psychotherapy should bill utilizing 90837 for the first hour of services which equates to (1) unit of service. For the second hour of psychotherapy services the provider should utilize code 99354 which equates to one (1) unit of service. For each additional 30 minutes of psychotherapy services the provider should utilize 99355 which is limited to a total of two (2) units per date of service.

According to the NCCI Policy Manual (2015), "Psychotherapy and group psychotherapy may be reported on the same date of service if the two services are performed during separate time intervals. Family psychotherapy (i.e., CPT codes 90846, 90847) is not separately reportable with psychotherapy CPT codes 90832-90838 for the same patient encounter since the latter codes include psychotherapy with family members...CPT codes 90832-90838 include all psychotherapy with family members, if present, for a single date of service."(XI-7) Based on this information if a provider performs individual psychotherapy and family therapy

on the same date of service, both should be reported as psychotherapy, with patient and/or family member (90837) and include the appropriate add-on codes to reflect the total hours provided on that day. These add-on codes may be utilized for psychotherapy if the services are performed during separate time intervals. For example, if a client has individual psychotherapy on 2/2/15 from 8:00 AM until 9:00 AM and later on 2/2/15 attends family therapy from 1:00 PM – 2:00 PM the correct coding according to NCCI policy would be 90837 for the individual session and 99354 for the family session. Services provided that would utilize the add-on code may be provided consecutively or at different time intervals throughout the same date of service.

Additionally, these providers may perform up to three (3) hours of individual, family or group psychotherapy or any combination to a client, per day. Psychotherapy services to a client shall not exceed three (3) hours per day.

#### Affected Providers Holding Claims:

Each Managed Care Organization (MCO) shall conduct outreach activities to all of the affected providers no later than February 15, 2015 to obtain information about any claims that may have been held by the provider agencies. During this outreach, the MCO shall provide instructions to the provider regarding the NCCI Resolution Process. The MCO shall offer each affected provider an interim payment based on the held claims which shall be disbursed no later than March 1, 2015. All affected providers will be required to submit any held claims after April 1, 2014 and the MCO shall process those claims, perform a reconciliation and either recoup any overpayment or pay any underpayment.

#### Affected Providers with Denied Claims

Each MCO shall conduct outreach activities to all affected providers no later than February 15, 2015 to obtain information regarding any denied claims and provide instruction to the provider regarding the NCCI Resolution Process. The MCO shall offer each provider an interim payment based on the denied claims which shall be disbursed no later than March 1, 2015. Providers will be required to resubmit corrected claims after April 1, 2015 and the MCO shall process those claims, perform a reconciliation and either recoup any overpayment or pay any underpayment.

#### Affected Providers who Submitted Correctly Paid Claims but do not Comply with NCCI

Each MCO shall conduct outreach activities to all affected providers no later than February 15, 2015 to provide instructions regarding the NCCI Resolution Process for any claims that did not meet coding guidelines. All affected providers will be required to resubmit claims to meet coding guidelines after April 1, 2015.

cc: Mary Begley, Commissioner, Department for Behavioral Health, Intellectual and Developmental Disabilities

VC/KEH