**U.S. Department of Labor** 

Office of Workers' Compensation Programs Washington, DC 20210



OWCP BULLETIN NO. 22-01

Issue Date: March 2, 2022

Effective Date: March 5, 2022

Expiration Date: Until Further Notice

Subject: Workers' Compensation Medical Bill Process (WCMBP) System Changes

## Background:

The Office of Workers' Compensation Programs (OWCP) seeks to protect the interests of workers who are injured or become ill on the job, their families and their employers by making timely, appropriate, and accurate decisions on claims, providing prompt payment of benefits, and helping injured workers return to gainful work as early as is feasible. Facilitating high quality healthcare, encouraging patient safety, and providing accurate benefit payments are at the heart of the agency's mission. Adopting industry-standard bill processing methods and consolidating configuration management control of the Workers' Compensation Medical Bill Process (WCMBP) system improves the efficiency of claims processing and benefits delivery.

One of the most important tools the OWCP uses to prevent fraud, waste, and abuse is the application of procedure-to-procedure (PTP) code pair edits during bill processing. PTP edits prevent improper payment for bundled procedures, incidental procedures, mutually inclusive procedures, and mutually exclusive procedures. PTP edits are part of the Centers for Medicare and Medicaid Services' (CMS) National Correct Coding Initiative (NCCI). PTP code pair edits are available for bills from practitioners and outpatient facilities/hospitals. The CMS updates them on a quarterly basis and they may be downloaded here:

<u>https://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/PTP-</u> <u>Coding-Edits</u>. PTP edits are applied by the WCMBP system in accordance with compensation program policy. In addition to PTP edits, the NCCI includes Medically Unlikely Edits (MUE). The MUE for a Healthcare Common Procedure Coding System (HCPCS) code or Current Procedural Terminology (CPT®) code is the maximum number of units of service that, under most circumstances, is billable for that code by the same provider, for the same claimant, on the same date of service. MUE are developed with input from nationally recognized organizations and based on extensive analysis of standard medical and surgical practices. MUE are available for bills from practitioners, outpatient facilities/hospitals, and durable medical equipment suppliers. The CMS updates them on a quarterly basis and they may be downloaded here:

<u>https://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/MUE.</u> MUE are applied by the WCMBP system in accordance with compensation program policy.

Along with NCCI edits, the OWCP uses coverage determinations to prevent fraud, waste, and abuse. Coverage determinations are made by the OWCP based on evidence-based clinical practice guidelines from nationally recognized healthcare organizations, CPT® and HCPCS code descriptions, CMS coverage determinations, clinical policy bulletins from major insurers, and expert opinions from healthcare specialists. They are limited to items and services that are reasonable and necessary for the diagnosis or treatment of illnesses or injuries within the scope of one or more of the OWCP compensation programs. Coverage decisions are made on an ongoing basis in response to the results of analyses performed by OWCP program integrity personnel and new developments in healthcare.

<u>Purpose:</u> To establish policy regarding bill processing edit documentation and configuration management of the WCMBP system.

<u>Applicability:</u> This policy is applicable to the Division of Administrative Operations; the Division of Coal Mine Workers' Compensation; the Division of Energy Employees Occupational Illness Compensation; and the Division of Federal Employees', Longshore, and Harbor Workers' Compensation.

## Action:

- 1. MUE shall be used for bill processing unless a statute, regulation, or written compensation program policy dictates otherwise.
- 2. All PTP edits shall be set to "deny" unless a statute, regulation, or written compensation program policy dictates otherwise.
- 3. Wherever appropriate, edit settings and coverage determinations shall be uniform across compensation programs.
- 4. Coverage determinations shall be coordinated by the Division of Administrative Operations (DAO) and implemented after careful analysis

reveals that they are consistent with statutory and regulatory requirements, industry standards, and the standard of care.

- 5. Compensation programs shall request changes to the WCMBP system edits through the DAO so that configuration management is preserved.
- 6. Requests to change WCMBP system edits shall be evaluated by the DAO and implemented only after careful analysis reveals that the requested changes are consistent with statutory and regulatory requirements, industry standards, written compensation program policy, and the standard of care.

Disposition: This bulletin shall be retained until further notice.

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