

NOC AND NOS HCPCS CODE USE

I. BACKGROUND

The 1996 Health Insurance Portability and Accountability Act (HIPAA) required health care providers to use standardized billing practices for all health care related claims. Part of the process of standardization is the use of code sets. The Centers for Medicare and Medicaid Services (CMS) has chosen two code sets for use with medical (non-dental) claims. These are the Common Procedural Terminology (CPT) and Healthcare Common Procedure Coding System (HCPCS) Codes. Certain services within each code set do not have a code of their own. These are termed "Not Otherwise Classified" (NOC) or "Not Otherwise Specified" (NOS) codes. NOC and NOS codes serve as a catchall for otherwise non-classified procedures and services and have unique requirements for use.

II. NOC/NOS CODES APPROVED FOR MI CHOICE WAIVER

Six of the approved MI Choice Waiver HCPCS codes are for NOC or NOS items. Waiver agencies may submit the NOC and NOS codes approved for use with waiver services to the Community Health Automated Medicaid Payment System (CHAMPS). The codes are S5199, T1999, T2025, T2028, T2029, and T5999. Waiver agencies should only use codes S5199, T1999, T2028, and T2029, if a specific HCPCS Code does not exist for an item. Waiver agencies should use code T2025 for fiscal intermediary services and workers compensation fees related to self-determination. MDHHS has designated HCPCS code T5999 for Goods and Services available to participants choosing the self-determination option.

III. HOW TO USE NOC/NOS CODES

When using a NOC or NOS code, a description of the item must appear in the "remarks" section of the encounter line. The CHAMPS will reject encounters with NOC or NOS codes if a proper description does not appear in the "remarks" section of the encounter line. More specifically, when using a NOC or NOS code in the 837 Professional Encounter Loop 2400 SVI (Professional Service) segment, a description of the item must also appear in the Loop 2400 NTE02 (Line Note Text) data element and NTE01 (Note Reference Code) should contain the code "ADD" (Additional Information). The CHAMPS will reject encounters with NOC or NOS codes if a proper description does not appear in this section of the encounter line. In addition to the seven NOC or NOS codes already mentioned, MDHHS requires that waiver agencies also complete the "remarks" section for the Home Modification code, S5165.

IV. LIST OF APPROVED HCPCS CODES

A listing of approved HCPCS codes for use with the MI Choice waiver program is included in Attachment G of the waiver contract. This listing also includes the standardized remarks allowed for each NOC and NOS code. MDHHS will regularly distribute updates to this list as it approves new codes for use with the MI Choice program.

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V. SPECIALIZED MEDICAL EQUIPMENT AND SUPPLIES

All items purchased under codes S5199, T1999, T2028 and T2029 must meet the definition of **Specialized Medical Equipment and Supplies** as written in the CMS-approved waiver application. This definition is:

Specialized Medical Equipment and Supplies includes devices, controls, or appliances that enable participants to increase their abilities to perform activities of daily living, or to perceive, control, or communicate with the environment in which they live. This service also includes items necessary for life support or to address physical conditions, along with ancillary supplies and equipment necessary to the proper functioning of such items.

This service excludes those items that are not of direct medical or remedial benefit to the participant. Durable and non-durable medical equipment and medical supplies not available under the State Plan that are necessary to address the participant's functional limitations may be covered by this service. Medical equipment and supplies furnished under the State Plan must be procured and reimbursed through that mechanism and not through MI Choice. All items must be specified in the participant's plan of service.

All items shall meet applicable standards of manufacture, design and installation. Coverage includes training the participant or caregiver(s) in the operation and maintenance of the equipment or the use of a supply when initially purchased. Waiver funds may also be used to cover the maintenance costs of equipment.

VI. APPROVAL OF ITEMS NOT ON THE LISTS

If a waiver participant requires an item that does not fall in to one of these categories, please contact Heather Hill at (517) 241-3999 or hillh3@michigan.gov for approval to purchase the item. Heather will verify that the Medicaid State Plan will not cover the item and will assign the standardized text for use in the "remarks" (Loop 2400 NTE02) section of the encounter line.