



COLORADO

Department of Health Care
Policy & Financing

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Frequently Asked Question for Behavioral Health Services National Correct Coding Initiative Edits and Colorado Medically Unlikely Edits

What are National Correct Coding Initiative (NCCI) Edits?

The Centers for Medicare and Medicaid Services (CMS) created the National Correct Coding Initiative (NCCI) to reduce improper payments stemming from incorrect coding and billing practices. NCCI prevents reimbursement for inappropriate combinations of Current Procedural Terminology (CPT) codes. The following are the three types of NCCI Edits:

Add-on Code (AOC) edits ensure add-on codes are not billed without a primary procedure code.

Medically Unlikely Edits (MUEs) prevent inappropriate payments when services are reported with an unusually high number of units of service.

Procedure to Procedure (PTP) edits prevent code pairs that should not be reported together on the same date of service.

Where can I find more information on NCCI Edits?

Visit the CMS [NCCI for Medicaid](#) web page for more information on NCCI edits.

When did HCPF begin requiring NCCI Edits to be followed?

HCPF began requiring Regional Accountable Entities (RAEs) to implement all NCCI edits effective July 1, 2025.

What is H0005 and the corresponding NCCI edits?

H0005 is Alcohol and/or drug services; group counseling by a clinician. HCPF is enforcing the 1-unit (1 unit = 1 hour/day) limit set by NCCI for H0005.

Is there an alternative code that may be appropriate for similar services to H0005?

Yes. A therapy group led by a clinician does not have to be billed as an hour SUD treatment group. Depending upon the focus of the group there are alternatives; for example, H0025 for behavioral health prevention and education.

What is H0006 and the corresponding NCCI edits?

H0006 is Alcohol and/or drug services; case management. To support efforts to simplify billing, HCPF is sunsetting H0006 as of December 31, 2025; claims for H0006 with dates of service on or after January 1, 2026, will deny. HCPF will not enforce the NCCI edit for H0006

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prior to its sunseting and is aligning edits for H0006 with CO MUE limit, of 4 units per day (1 unit = 15 minutes/day) for T1017.

Is there an alternative code that may be appropriate for similar services to H0006?

Yes, targeted case management activities being delivered and previously billed under H0006, should be billed under targeted case management services T1017. Providers can begin to transition to using T1017 immediately, if they are contracted with the RAE(s) to provide T1017.

What are Colorado Medically Unlikely Edits?

Colorado specific Medically Unlikely Edits (CO MUEs) and Procedure-to-Procedure (CO PTP) edits for services that do not have NCCI edits.

When did HCPF begin requiring CO MUEs?

HCPF has required RAEs to begin following these CO MUEs effective October 1, 2025.

Where can I find additional information on CO MUEs?

Information, including the list of Colorado MUEs, is located on the [HCPF Behavioral Health Policies, Standards and Billing References webpage](#).

Are there parity concerns with behavioral health services using NCCI edits or CO MUEs?

No. HCPF has thoroughly reviewed parity law and the use of NCCI and Colorado MUE and PTP edits. HCPF has determined that none of the changes made are at odds with complying with CMS recognized and supported NCCI edits. The NCCI and CO edits currently in place are not more restrictive than comparable medical/surgical services.

What can a provider do if they believe that the NCCI and CO edits are not equitable?

HCPF is responsible for monitoring and oversight of Health First Colorado's compliance with parity requirements in accordance with federal and state regulations. The Department performs analysis of parity compliance and prepares an annual Mental Health and Substance Use Disorder Parity Report. This comprehensive process makes sure behavioral health parity standards are met for all Health First Colorado members. (A full description of the parity assessment process can be found in the Methodology section of the report.) The Department submits the report to the Colorado state legislature and the Centers for Medicare and Medicaid Services (CMS) and posted publicly here and on the Regulatory Resource Center webpage. The annual report and additional resources are listed below:

The Department considers feedback from stakeholders, advocates, health care providers, and the Colorado Attorney General's Office when making sure parity laws are followed. Stakeholders are welcome to submit questions, comments, or feedback about parity and parity compliance to the Department at hcpf_parity@state.co.us and ombuds@bhoco.org.

