**Medical necessity requirements: Ever more complex**

As a healthcare provider, you are required to comply with medical necessity policies for outpatient services. But what does that mean?

- **The Centers for Medicare & Medicaid Services (CMS)** requires hospitals to check 100 percent of Medicare outpatient services
- **Hospitals** must check prior to rendering services
- An **Advanced Beneficiary Notice (ABN)** must be generated and signed for services that Medicare Administrative Contractors (MACs) may not reimburse

How complex is Medicare medical necessity? CMS creates National Coverage Determinations (NCDs) that apply to the entire country, and contracted MACs create medical necessity policies known as Local Coverage Determinations (LCDs) that apply to local service areas.

All healthcare providers must check all pertinent policy regulations to determine medical necessity, which represents a significant challenge: Providers face between 150,000 and 500,000 unique ICD and HCPCS/CPT® code pairs in the Medicare policies, depending on the state. In addition, these codes can change on both a monthly and ad hoc basis.

**Payer-specific medical necessity validation throughout the revenue cycle**

3M Medical Necessity Dictionaries are an industry-leading source for:

- **NCDs and LCDs**
- Supporting ICD-9 and ICD-10 diagnostic codes and modifiers
- Other state Medicaid and payer-specific data
- Multi-level policy restrictions including frequency, age, gender, previous procedure or accompanying service
3M™ Medical Necessity Dictionaries

Our skilled team of subject matter experts produces and routinely updates the content, which has provided the market with an extensive medical necessity and coding compliance rule set with full support for:

- Allied health
- Inpatient and outpatient care
- Long-term care
- Medical services
- Pharmacy
- Laboratory
- Vision care

Versions are available for Medicare Parts A and B (national and state level) as well as several state Medicaid agencies, including Texas and Medi-Cal, and private payers such as Aetna® and Blue Cross® Blue Shield® affiliates.

Features and benefits

- Eliminate the laborious tasks of gathering medical necessity data and performing monthly manual reviews
- Receive automated monthly policy updates with valid code pairs and medical necessity intelligence
- Gain access to expert support on medical necessity issues from the 3M team of nurses, medical experts, and billing professionals
- Help protect against potential allegations of fraud and abuse through accurate, frequent updates and current content
- Facilitate accurate and timely Medicare reimbursement, proactively manage A/R days, and help avert denials, write-offs, and the cost of correcting rejected claims
- Perform edits for medical necessity, frequency, and others
- Enable ABNs within an EHR, HIS or practice management system

An integrated solution

The 3M Medical Necessity Dictionaries can be used as a standalone solution or integrated within an existing HIS, electronic health record (EHR) or other system to provide automatic medical necessity validation wherever it is required in the revenue cycle workflow. For example, for:

- Front-end or pre-service, such as the physician office, patient access, point of service, order entry, and charge capture, use the 3M Medical Necessity Dictionaries integrated within your system

- Patient financial services and denials management, available bundled with coding compliance edits, grouping software and reimbursement calculation software, use one of the following—
  - 3M™ Core Grouping Software, a Microsoft® Windows®-based application
  - 3M™ Grouper Plus Content Services, a 3M-hosted, cloud-computing distribution

- HIM department and the point of coding, use—
  - 3M™ Ambulatory Revenue Management Software (ARMS) with medical necessity content and edits
  - 3M™ APCfinder™ with Medical Necessity Validation within the 3M™ Coding and Reimbursement System

Call today

For more information on how 3M solutions can assist your organization, contact your 3M sales representative, call us toll-free at 800-367-2447, or visit us online at www.3Mhis.com.