



North Carolina
Department of Health and Human Services

Division of Medical Assistance

Medical Policy

1985 Umstead Drive – 2501 Mail Service Center - Raleigh, N.C. 27699-2501

Courier Number 56-20-06

Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

Gary Fuquay, Director

Memorandum

To: Area Directors
From: Carol Robertson
Re: Rounding and code conversions
Date: January 23, 2004

There appears to be a lot of confusion surrounding the conversion of "Y" codes to national codes and rounding. Two years ago when we first began the HIPAA conversion we discussed the fact that once national codes were used, rounding would no longer be an option. It is considered "up coding" that results in fraudulent billing practices.

As we have changed to "H" codes and other national codes, that policy is the same as it was for CPT codes. I went over this in the December trainings, but have received numerous phone calls indicating that this message was not clear.

Therefore, **effective immediately, rounding is not allowed with the billing of any national codes.** You are however allowed with case management to total your units at the end of the day as you have been doing. You just cannot round up in the total number of units at the end of the day.

Please disseminate this information to your staff and contract providers as soon as possible.

Thank you for your cooperation and prompt attention to this issue.

CC: Carol Clayton
Darlene Steele
Nancy Henley, MD
Betty Cogswell