Medically Unlikely Edits Coding Policy

Medically Unlikely Edits (MUE) Overview
The National Correct Coding Initiative (NCCI) is a CMS program that consists of coding policies and edits. This program was developed to encourage consistent and correct coding and reducing inappropriate payment.

NCCI was originally implemented for Medicare in 1996 and was expanded to include Medicaid services by the Affordable Care Act in 2010. Since then, CMS has published two separate NCCI files, one for Medicare and one for Medicaid. Molina applies CMS Medicare NCCI edits to Medicare and Marketplace claims. Molina applies CMS Medicaid NCCI edits to Medicaid
claims.

CMS National Correct Coding Initiative Program (NCCI) Medicare and Medicaid Program
Medically Unlikely Edits (MUEs) are used by the Medicare Administrative Contractors (MACs), including Durable Medical Equipment (DME) MACs, to reduce the improper payment rate for Part B claims. An MUE for a HCPCS/CPT code is the maximum units of service that a provider would report under most circumstances for a single beneficiary on a single date of service. Not all HCPCS/CPT codes have an MUE.

MUE
One component of NCCI is the Medically Unlikely Edits (MUE). These are units of service edits that define which units would not be likely if the claim is reported correctly. There are three MUE files:
- Practitioners
- ASCs and outpatient hospitals
- DME providers

If more units of service are reported on a claim line than the MUE value for the code, the entire claim line would be denied. MUEs are daily limits and apply to services billed even when a separate benefit limit applies.
Example:
- Medicare and Medicaid have an MUE of 1 for A4253, (box of 50 glucose strips). Coverage may be limited to 3 boxes per month, but only one box may be supplied per day due to the MUE.

Providers billing on a 1500 claim or electronic format can generally bill date spans. Providers billing on a UB04 or electronic format must bill each date as a separate line item.

Updates to MUEs
- NCCI edits are updated quarterly by CMS. Molina will implement updates by the 15th of the month following the CMS effective date.

Source
Documents, Medicaid NCCI Technical Guidance Manual
https://www.medicaid.gov/medicaid/programintegrity/ncci/index.html