



Policy Title	Professional and DME Medically Unlikely Edits MUE Reimbursement Policy
Policy Department	Payment Strategy & Optimization
Effective Date	4/1/2022
Revision Date(s)	
Next Review Date	

Disclaimer:

Clover Health applies The Center for Medicare and Medicaid Services (CMS) criteria and guidelines, National Coverage Determinations (NCD), Local Coverage Determinations (LCD), Clover Policies, and MCG for determining medical necessity. Clover Policies are intended to provide a standard guideline but are not used to preempt providers' judgment in rendering services. Providers are expected to provide care based on best practices and use their medical judgment for appropriate care.

Description:

This communication describes the Clover Health policy when applying Medically Unlikely Edits (MUEs) to professional and DME claims. MUE edits are applied when the maximum units of an item or service have been supplied or rendered to a member.

Definitions:

- Medically Unlikely Edit (MUE)
 - An MUE is a unit of service edit. It is the maximum units of service that a provider would report under most circumstances for a single beneficiary on a single date of service.
- MUE adjudication indicator
 - A published data field on the CMS MUE edit table. An MAI code (1, 2 or 3) is assigned by CMS to each HCPCS code and indicates whether or not the MUE applied is claim level or line level.
- Healthcare Common Procedure Coding System (HCPCS)
 - A system of codes which is produced by the Centers for Medicare and



Medicaid Services (CMS). Purpose. HCPCS is a collection of standardized codes that represent medical procedures, supplies, products and services.

Policy:

CMS developed the MUE program in order to reduce improper payments for DME, Facility and Part B claims. This communication is specific to DME and professional claims. An MUE for a HCPCS/CPT code is the maximum number of units of service that a provider can report for reimbursement under the majority of circumstances for a single member on a single day. Not all codes have MUE limits, and MUE values are updated by CMS on a quarterly basis.

All HCPCS codes with MUE values have an “MUE adjudication indicator” or “MAI” on the published CMS MUE edit table.

- MAI of 1 indicates that any MUE edits will be adjudicated as a claim line edit.
- MAI of 2 indicates that any MUE edits will be adjusted as are absolute date of service edits. These are per day edits based on policy based on the designation of 2, which considered statute, regulation and/or subregulatory guidance. MAI of 2 edits are considered impossible because it was contrary to statute, regulation, or subregulatory guidance.
- MAI of 3 indicates that any MUE edits will be adjusted for the date of services. These are per day edits based on clinical benchmarks.

MUEs are considered to be auto-denial edits and are coding denials - not medical necessity. If a service was performed that could potentially trigger an MUE edit, but was not in fact medically unlikely, the provider should bill additional diagnosis codes to support the HCPCS coding billed.

Certain modifiers should be billed to indicate if an item or service was rendered to a member and is in excess of the MUE value, but was necessary or the MUE should not be applied. Services on different areas of the body can be billed with modifiers RT, LT or any other modifier that indicates a specific part of the body. Additionally, modifiers that indicate repeat separately billable services can be used to potentially support the excess services.

If a claim is received by Clover Health and exceeds the published MUE thresholds established by CMS, depending on the MAI that is applicable to the impacted claim line, part or all of the claim may be denied. If a service is authorized that exceeds the MUE value, then Clover may bypass the MUE for a HCPCS code with an MAI of 3 during claim processing in response to effectuation instructions from a reconsideration or higher level appeal.



<u>Claim Codes (if applicable)</u>	DME Suppliers MUE Table Practitioners MUE Table
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References
CMS Medically Unlikely Edits
Quarterly MUE Version Updates
CMS Transmittal 4465