

Resource Tool: Medically Unlikely Edit (MUE) and MUE Adjudication Indicator (MAI)

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Medically Unlikely Edit (MUE)

- An MUE is a unit of service (UOS) edit for a Healthcare Common Procedure Coding System (HCPCS)/Current Procedural Terminology (CPT) code for services rendered by a single provider or supplier to a patient on the same date of service.
- The ideal MUE is the maximum UOS that would be reported for a HCPCS/CPT code on a given day.
- The MUE program provides a method to report medically reasonable and necessary UOS in excess of an MUE for MUEs that are adjudicated as claim line edits.

MUE Adjudication Indicator (MAI)

- The MAI indicates the type of MUE and its basis. The MAI assigned to the HCPCS/CPT codes will determine how your claim will process and/or deny.

MAI of "1"

MUEs for HCPCS/CPT codes with an MAI of "1" will continue to be adjudicated as a claim line edit. They may require modifiers to distinguish:

- Repeat services
- Anatomic differences

MAI of "2"

MUEs for HCPCS/CPT codes with an MAI of "2" are absolute date of service edits. These are "per day edits" based on policy, statute, description of HCPCS/CPT code or coding guidance. CMS gives no instances in which a higher value would be correct and payable. The expectation is the UOS will not bill above the allowable MUE.

MAI of "3"

MUEs for HCPCS/CPT codes with an MAI of "3" are date of service edits. These are "per day edits" based on clinical benchmarks. Appealed additional units are considered if there is adequate documentation of medical necessity to support reported units.

Correct Billing Examples:

Biopsy services:

Line 1 = 11100 (MAI 2) Biopsy of single growth of skin and/or tissue - 1 unit

Line 2 = 11101 (MAI 3) Biopsy of each additional growth of skin and/or tissue - each additional unit

Lab services:

Line 1 = 87070 (MAI 1) Bacterial culture - 3 units

Line 2 = 87070 91 (MAI 1) Bacterial culture - 2 units

Surgical services:

Line 1 = 26111 (MAI 3) Excision, tumor or vascular malformation, soft tissue of hand or finger, subcutaneous; 1.5 cm or greater- 4 units

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Bilateral Surgical Procedures:

Providers and suppliers billing using the PFS are reminded that Medicare billing instructions require claims for certain bilateral surgical procedures to be filed using a -50 modifier and One Unit of Service (UOS).

Coding claims for surgical procedures performed bilaterally depends on:

- The HCPCS code descriptor,
- The “Bilateral Indicator” assigned to the HCPCS code (that is, whether special payment rules apply), and
- The nature of the service.

The “National Correct Coding Initiative (NCCI)” manual specifies that modifier -50 is used to report bilateral surgical procedures as a single UOS. The NCCI manual warns that MUE edits based on established CMS policies may limit units of service and are predicated on the assumption that claims are coded in accordance with these Medicare instructions. Consequently, many bilateral procedures have an MUE value of 1.

Bilateral indicators only apply to the Physician Fee Schedule (PFS) and not to other Medicare payment systems.

This is not a coding directive, but an informal coding guidance based on the date generated. These resource tools will not be regularly reviewed and updated. Please refer to the most recent references and resources available.

References:

Centers of Medicare and Medicaid Services. Frequently Asked Questions. <https://questions.cms.gov/fas/php?id=5005&faqId=2273>

[The Centers for Medicare and Medicaid Services \(CMS\), Internet Only Manual \(IOM\) Publication 100-08, Medicare Program Integrity Manual, Chapter 3, Section 3.3.1.2](#)

[CMS IOM Publication 100-02, Benefit Policy Manual, Chapter 16, Section 20](#)

[Medicare Learning Network \(MLN\) Matters, SE1422 - Medically Unlikely Edits \(MUE\) and Bilateral Procedures](#)

[MLN Medicare Claim Review Programs: MR, NCCI Edits, MUEs, CERT, and Recovery Audit Program](#)

[MLN MM8853 - Revised Modification to the Medically Unlikely Edit \(MUE\) Program](#)

[National Correct Coding Initiative Policy Manual for Medicare Services - Effective January 1, 2017, Chapter 1, Section V, Medically Unlikely Edits](#)

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