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Originated Department	Clinical Operations

Medically Unlikely Edits (MUEs)

Audience
 This policy applies to Claims Operations staff responsible for processing, reviewing, and adjudicating claims, including the application of Medically Unlikely Edits (MUEs).

Purpose
 Payment policies provide general support for applying Mountain Health CO-OP member policy document coverage decisions, and the member-specific benefit plan document must be referenced. The terms of the member-specific Policy document may differ from the standard benefit plan based on this payment policy. If there is a conflict between a member-specific policy document and the Mountain Health CO-OP payment policy, the document supersedes this policy. Any person(s) applying this payment policy must identify member eligibility, the member-specific policy document, and related policies or guidelines before applying this payment policy, including the existence of any state or federal guidance. Mountain Health CO-OP payment policies are designed for informational purposes only and are not an authorization, explanation of benefits, or contract. Receipt of benefits is subject to the satisfaction of all terms and conditions of the member-specific policy document coverage. Mountain Health CO-OP reserves the sole discretionary right to modify all policies and guidelines at any time.

Definition

- **MUE:** Medically Unlikely Edit. An MUE is the maximum units of service (UOS) reported for a HCPCS/CPT code on the vast majority of appropriately reported claims by the same provider/supplier for the same patient on the same date of service. Not all HCPCS/CPT codes have an MUE unit maximum.
- **MAI:** MUE Adjudication Indicator. An indicator code that specifies the type of MUE and how a code on a claim will be processed, either for payment and/or denial of payment. There are three MAI indicator codes: MAI 1 = indicates that the edit is a claim line MUE, MAI 2 = indicates that the edit is an absolute date of service (DOS) edit (not overridable), MAI 3 = indicates that the edit is a per day edit based on clinical benchmarks (may bypass MUE with supporting documentation of medical necessity).

Policy/Procedure

This policy is intended to define how Mountain Health CO-OP applies Medically Unlikely Edits (MUEs)/maximum units of service to claim services that are submitted on a professional or facility claim.

Mountain Health CO-OP primarily incorporates MUE edits that are created by the Centers for Medicare and Medicaid Services (CMS) with exceptions made to unit maximums based on medical and payment policies, benefits, state regulations and statutes, or provider contract language. These exceptions may be more or less generous than CMS MUEs.

An MUE is the maximum units of service that can be reported for a Healthcare Common Procedure Coding System (HCPCS) or Current Procedural Terminology (CPT) procedure code for services rendered by a single provider/supplier to a single patient on the same date of service. MUEs are adjudicated either as claim line edits or date of service edits. The creation of the specific MUEs for a procedure code is based on a number of criteria such as, but not limited to, the following categories:

- Anatomic considerations
- HCPCS or CPT code descriptions
- CPT coding instructions/guidelines
- Established CMS policies
- Nature of the service or procedure code
- Nature of an analyte
- Nature of equipment
- Prescribing information
- Claim data history
- Published plan policies or business decisions

There are three classifications of MUEs based on their MUE Adjudication Indicator (MAI) classification:

- MAI 1 = indicates that the edit is a claim line MUE
- MAI 2 = indicates that the edit is an absolute date of service (DOS) edit (not overridable)
- MAI 3 = indicates that the edit is a per day edit based on clinical benchmarks (may bypass MUE with supporting documentation of medical necessity)

MAI 1 - Claim Line MUE edit

MAI 1 edits are applied at the claim line level. Appropriate use of modifiers may be used to report the same HCPCS or CPT code on separate lines of a claim for units in excess of the MUE value. Each separate line on a claim will be separately adjudicated against the MUE for the HCPCS or CPT code submitted.

If the units of service on a claim line for a specific CPT or HCPCS procedure code exceeds the MUE unit maximum, the units billed may be either adjusted to reflect the MUE unit maximum or denied entirely, depending on the procedure code.

MAI 2 and MAI 3 - Date of Service MUE edit

MAI 2 and MAI 3 edits are per date of service/per day edits.

All units of service for the HCPCS or CPT code reported by the same provider for the same patient for the same date of service are summed regardless of modifiers. The summed value will be compared against the MUE value. If the summed unit value for the CPT or HCPCS procedure code(s) per date of service is greater than the MUE unit maximum, the units billed may be either adjusted to reflect the MUE unit maximum or denied entirely, depending on the procedure code.

There are three categories of CMS MUE tables based on the provider type:

- Durable Medical Equipment (DME) Supplier Services
- Facility Outpatient Hospital Services MUEs
- Practitioner Services MUEs

MUEs units are assigned with anatomic considerations. Therefore, the MUE value does not apply to **each side/site** but is applied to **each HCPCS or CPT code per date of service** regardless of the number of sides/sites on which this procedure was performed.

If a provider performs more than the maximum MUE unit value for a specific code resulting in a denial, the provider will need to file an appeal and provide medical records supporting extra units.

MUEs for HCPCS or CPT codes can be identified by using the Claim Editor Test Tool (Clear Claim Connection/C3) accessed out on the external Provider Portals.

Exceptions

Exceptions to CMS MUE values and CMS MUE guidelines may be made per Plan business needs (ex: medical and payment policies, benefits, provider contracts, etc.).

References

1. CMS Medicare NCCI FAQ Library
2. NCCI Manual, 2025, Chapter 1, Section V – Medically Unlikely Edits
3. MEDLEARN Matters, MM8853 and Change Request 8853-Transmittal 1421 – Revised Modification to the Medically Unlikely Edit (MUE) Program

Vendors

• HPS

Review/Revision/Approval History

Date	Description
9/1/2024	Reviewed and adopted during transition to Health Plan Services
10/13/2025	Revised and adopted

Disclaimer

This document is for informational purposes only and should not be relied on in the diagnosis and care of individual patients. Medical and Coding/Reimbursement policies do not constitute medical advice, plan preauthorization, certification, an explanation of benefits, or a contract. Members should consult appropriate healthcare providers for medical advice, care, and treatment. Benefits and eligibility are determined before medical guidelines and payment guidelines are applied. Benefits are determined by the member's benefit plan, effective when services are rendered.

The codes for treatments and procedures applicable to this policy are included for informational purposes. Including or excluding a procedure, diagnosis, or device code(s) does not constitute or imply member coverage or provider reimbursement policy. Please refer to the member's contract benefits in effect at the time of service to determine coverage or non-coverage of these services as they apply to an individual member.

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