



PCHP Reimbursement Policy		
Topic: Medically Unlikely Edits	Policy Number: PCHP.RI.009	Policy Section: Coding
Last Modification Date:	Effective Date: 5/15/2025	

Policy Disclaimer:

Please ensure adherence to correct billing and submission protocols. Utilize industry-standard, compliant codes when submitting claims. Services should be coded using Current Procedure Terminology® (CPT), Healthcare Common Procedure Coding System (HCPCS), and/or revenue codes. These codes specify the services or procedures rendered and must be fully substantiated in the medical record or office notes upon billing. Our reimbursement policies apply uniformly to both participating and non-participating professional providers and facilities, unless stated otherwise.

Failure to comply with appropriate coding/billing guidelines or current reimbursement policies may result in actions by PCHP, including claim rejection or denial, claim payment recovery/recoupment, or reimbursement adjustment to accurately reflect the services provided.

These reimbursement policies are designed to support you in submitting accurate claims and to clarify the criteria for reimbursement if PCHP covers the service under the member's benefit plan; however, coverage determination for items such as, but not limited to service, procedure, item, do not guarantee reimbursement. All billed services must align with authorization and medical necessity guidelines.

These reimbursement policies may be overridden by mandates in provider contracts, state or federal regulations, or Centers for Medicare & Medicaid Services (CMS) requirements. PCHP strives to implement policy changes promptly; any delays may necessitate recoupment of claims payment to the effective date as outlined in the policy. We reserve the right to periodically review and update these policies as needed, with the most current version available on our website upon any revisions.

Policy:

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.

PCHP applies CMS Medicaid NCCI edits to Medicaid claims.

MUE:

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.



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.

Updates to MUEs

NCCI edits are updated quarterly by CMS. PCHP will implement updates by the 15th of the month following the CMS effective date.

References:

This policy has been developed through consideration of the following:

CMS, Department of Health and Human Services, Texas Health and Human Services and all applicable agencies, National Correct Coding Initiative, National Uniform Billing Committee (NUBC)

Policy History:

Description	Date
Policy Created	May 9, 2024
Policy Approved	January 30, 2025