

1. What is The National Correct Coding Initiative (NCCI)

The Centers for Medicare & Medicaid Services (CMS) National Correct Coding Initiative (NCCI) promotes national correct coding methodologies and reduces improper coding, with the overall goal of reducing improper payments of Medicare Part B and Medicaid claims.



The purpose of the NCCI Procedure to Procedure (PTP) edits is to prevent improper payment when incorrect code combinations are reported. The NCCI contains one table of edits for physicians or practitioners and one table of edits for outpatient hospital services. The purpose of the NCCI Medically Unlikely Edits (MUE) program is to prevent improper payments when services are reported with incorrect units of service. Refer [National Correct Coding Initiative \(NCCI\)](#)

2. What are the Centers for Medicare & Medicaid Services (CMS) Medically Unlikely Edit (MUE) program?

The CMS MUE program was developed to reduce the paid claims error rate for Medicare claims. MUEs are designed to reduce errors due to clerical entries and incorrect coding based on criteria such as anatomic considerations, Healthcare Common Procedure Coding System (HCPCS)/Current Procedural Terminology (CPT) code descriptors, CPT coding instructions, established CMS policies, nature of a service/procedure, nature of an analyte, nature of the equipment, prescribing information, and claims data. Refer [Medicare NCCI Medically Unlikely Edits](#)



3. What is a Medically Unlikely Edit (MUE)?

An MUE is a unit of service edit for a Healthcare Common Procedure Coding System (HCPCS)/Current Procedural Terminology (CPT) code for services rendered by a single provider/supplier to a single beneficiary on the same date of service. MUE is the maximum unit(s) of service that would be reported for an HCPCS/CPT code on most appropriately reported claims. MUEs are adjudicated either as claim line edits or date of service edits. Not all HCPCS/CPT codes have an MUE. (See question five for guidance on reporting medically reasonable and necessary services more than an MUE value for claim line edits.)



Medicare NCCI Medically Unlikely Edits (MUEs)

MUEs: These are maximum units of service (UOS) reportable under most circumstances. If exceeded, claims are denied

UC Dermatopathology services do have MUE's limits. UC Dermatopathology can appeal to a Medically Unlikely Edit (MUE) denial by submitting documentation that supports the medical necessity of the services exceeding the allowed units. Appeals must demonstrate that the services were reasonable, necessary, and correctly coded

HCPCS/ CPT Code	MUE Values	HCPCS/ CPT Code	MUE Values
88300	4	88312	9
88302	4	88313	8
88304	5	88341	13
88305	16	88342	4
88307	8	88344	6
		88346	3
		88350	9
		88365	4

*CMS payment policy allows only one unit of service for CPT codes 88321 and 88323 per beneficiary, per provider/supplier, on a single date of service.

HCPCS/ CPT Code	MUE Values
88321	1
88323	1

For more information about our billing procedures, please visit health.ucdavis.edu/dermatopathology/ or call the billing service team at 916-734-6373