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Dermatology Coding Alert

Denials Management: Bust 4 Common Myths to Overcome MUE Denial Challenges

Hint: You can't report axillary hidradenitis procedures more than twice per day.

Medicare denials could mean you're running up against medically unlikely edits (MUEs). Designed to prevent overpayments caused by gross billing errors (usually a result of clerical or billing systems' mistakes), MUEs often confuse even veteran dermatology coders.

Ensure you're not letting MUEs wreak havoc on your practice's coding and reimbursement by uncovering the truth about four aspects of these edits.

Myth 1: MUE Edits Don't Affect Your Practice

Some practices feel that they don't need to worry about MUEs.

Reality: Any practice filing a claim with Medicare should know what MUEs are and how they work.

"They limit the frequency a CPT code can be used," says **Chandra L. Hines,** business office manager at a practice in Raleigh, N.C. "We need to become aware of the denials and not let every denial go because the insurance company said it was an MUE."

The MUE list includes specific CPT or HCPCS codes, followed by the number of units that CMS will pay. CMS developed the MUEs to reduce paid claims error rates in the Medicare Program, says **Jillian Harrington, MHA, CPC, CPC-P, CPCI, CCS-P,** president of ComplyCode in Binghamton, New York.

For instance: Axillary hidradenitis procedures 11450-11451 (Excision of skin and subcutaneous tissue for hidradenitis, axillary ...) have an MUE of two because it is not anatomically feasible for the dermatologist to perform more than two such procedures for the same patient on the same day, given that most patients have a maximum of two axillae (underarms).

Note: CMS updates the MUE list every quarter, just like the Correct Coding Initiative (CCI) edits, but the agency does not publish all MUEs, especially those with values of four or higher. You can find the published edits on the CMS Web site at www.cms.gov/NationalCorrectCodInitEd/08_MUE.asp.

Myth 2: You Can Bill the Patient to Overcome MUE Limits

Some practices believe that by having the patient sign an advance beneficiary notice (ABN) you can pass on the cost of procedures you know will be denied due to MUEs.

Reality: You cannot use ABNs to transfer responsibility for payment to the beneficiary, Harrington warns. CMS makes this rule very clear in its FAQs, stating: "A provider/supplier may not issue an ABN for units of service in excess of an MUE."

Myth 3: You Can Never Override an MUE

Don't think that even if your dermatologist performs a legitimate, medically necessary procedure that violates MUE edits, you can't override the edits.

Reality: CMS states that MUEs reflect the maximum number of units the vast majority of properly reported claims for a particular code would have, so you shouldn't need to override them often. But you can override an MUE when your

physician performs and documents a medically necessary number of services that exceed the limit.

Check your payer's reporting preference: HCPCS offers modifier GD (Units of service exceeds medically unlikely edit value and represents reasonable and necessary services), but there is little information available on proper use of this modifier.

CMS notes that modifiers 76 (Repeat procedure by same physician) and 77 (Repeat procedure by another physician) are among your options to override an MUE, as are the anatomical modifiers, such as RT (Right side).You may also use modifier 59 (Distinct procedural service), but Harrington cautions you to use this only if no other modifier is appropriate.

Expect to supply documentation showing medical necessity for the additional units.

Myth 4: You Can't Appeal an MUE Denial

If your practice receives a denial based on an MUE, you may think that you cannot appeal that denial.

Reality: If you receive a claim denial due to MUEs, you can appeal. "You can appeal the claims and you can address inquiries regarding the rationale for an MUE," Hines says.

Tip: Scrutinize your explanation of benefits (EOBs) to look for remark code N362. This remark code represents "the number ofdays or units of service exceeds our acceptable maximum" and may mean your claim has fallen afoul of the MUEs.