

Updates to the Outpatient Hospital Fee Schedule Based on NCCI MUEs

The Affordable Care Act requires that Medicaid agencies incorporate the National Correct Coding Initiative (NCCI) edits and methodologies for Medicaid fee-for-service claims.

Louisiana Medicaid recently updated the outpatient hospital fee schedules by removing certain procedure codes from the fee schedules to be consistent with the Centers for Medicare & Medicaid Services (CMS) policy regarding Medically Unlikely Edits (MUE).

MUEs are units of service (UOS) edits which define the maximum number of units that are likely to be reported when a service is submitted correctly for applicable Healthcare Common Procedure Coding System (HCPCS) or Current Procedural Terminology (CPT) codes. Each line of a claim is adjudicated separately against the MUE value for the HCPCS/CPT code reported on a claim line. In most cases, if the unit of service exceeds the MUE value, the entire line is denied. This is true except when the NCCI MUE value is zero.

CMS has determined that some surgical and non-surgical therapeutic procedure codes are not to be performed in an outpatient setting. These procedures are identified on the Medicaid NCCI MUE Outpatient Hospital (OPH) file with a MUE value of "0." When these procedures are performed in an outpatient hospital setting, according to NCCI MUE guidance, they should deny. More information related to "MUEs with a Value of 0" can be found in the Medicaid NCCI Technical Guidance Manual, Section 7.6.2.4.

To be consistent with this NCCI MUE guidance, Louisiana Medicaid removed these procedure codes with the MUE value of "0" from the outpatient hospital fee schedules effective January 1, 2024.

LDH has published Informational Bulletin 24-11 for your reference IB24-11.pdf (la.gov),

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