



Notification Date:	7/15/2026
Claims Initiative Topic:	DME Recoupment
Announcement:	Discontinuation of coverage with U4 modifier
Line of Business	Medicaid
Impacted Specialties:	Durable Medical Equipment
Status:	In Process
Estimated Completion:	September 2026

Initiative Description:

Following a post-adjudication audit, McLaren Health Plan identified claims that were inappropriately reimbursed. McLaren Health Plan aligns with MDHHS policy related to Intermittent Urinary Catheter reimbursement. As of January 1, 2026, modifier U4 is discontinued. The modifier was previously used to differentiate between hydrophilic coated intermittent urinary catheters from non-coated or other coated catheters for A4351 or A4532. Dates of services impacted are from 1/1/2026 to current. This will be a one-time recoupment project.

To ensure compliance with Medicaid guidelines, McLaren will be initiating a recovery of the impacted payments. The recovery process will begin on 9/15/2026.

Additional information regarding Medicaid guidelines can be found at:

MDHHS

<https://www.michigan.gov/mdhhs/-/media/Project/Websites/mdhhs/Assistance-Programs/Medicaid-BPHASA/2025-Bulletins/Final-Bulletin-MMP-25-51-DMEPOS-Final.pdf?rev=7c430ec7a9d3477d921887dbb1b58e90&hash=36BE518A1C8BAC1CF3417BB4A9953AD6>

MDHHS Bulletin MMP 25-51 Coverage Changes to Intermittent Urinary Catheters.

<https://www.mdch.state.mi.us/dch-medicaid/manuals/MedicaidProviderManual.pdf>

Provider Manual, Section 2.19 Incontinent Supplies