Medicare Coverage of Laboratory Testing

Please remember when ordering laboratory tests that are billed to Medicare/Medicaid or other federally funded programs, the following requirements apply:

1. Only tests that are medically necessary for the diagnosis or treatment of the patient should be ordered. Medicare does not pay for screening tests except for certain specifically approved procedures and may not pay for non-FDA approved tests or those tests considered experimental.
2. If there is a reason to believe that Medicare will not pay for a test, the patient should be informed. The patient should then sign an Advance Beneficiary Notice (ABN) to indicate that he or she is responsible for the cost of the test if Medicare denies payment.
3. The ordering physician must provide an ICD-10 diagnosis code or narrative description, if required by the fiscal intermediary or carrier.
4. Organ- or disease-related panels should be billed only when all components of the panel are medically necessary.
5. Both Adventist Health - and client-customized panels should be billed to Medicare only when every component of the customized panel is medically necessary.
6. Medicare National Limitation Amounts for CPT codes are available through the Centers for Medicare & Medicaid Services (CMS) or its intermediaries. Medicaid reimbursement will be equal to or less than the amount of Medicare reimbursement.

Detailed instructions on ABNs can be found on the internet @ https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/ABN-Tutorial/formCMSR131tutorial111915f.html