

ANNUAL NOTICE TO PROVIDERS

January, 2018

Dear Valued Client:

HCMC Clinical Laboratories is committed to complying with all guidelines set forth by the Federal Office of the Inspector General (OIG), the Center for Medicare and Medicaid Services (CMS), and the Department of Health and Human Services (HHS). As part of our compliance efforts, we are providing you with this Annual Notice which contains important information regarding the services you order for your patients.

- Federal law requires that ordering providers give diagnostic information with every test requisition.
- Physicians and other healthcare providers should only order those tests they believe are medically necessary for the diagnosis, treatment and therapy of their patient. The medical necessity of each test ordered must be documented in the patient's medical record and reflect all coding submitted with the lab requisition.
- Organ, disease related, or HCMC Clinical Laboratories developed panels should only be ordered and billed when **all** components are medically necessary.
- The OIG takes the position that physicians or other individuals authorized by law to order laboratory tests, who knowingly cause a false claim to be submitted to any federally funded program, may be subject to sanctions or remedies available under civil, criminal and administrative law. HCMC Clinical Laboratories will not knowingly bill Medicare/Medicaid for lab testing that is non-covered, unreasonable and/or unnecessary.
- CMS has developed National Coverage Determination (NCD) Policies for certain lab tests/CPT codes. In addition, National Government Services (MAC-Part B) has developed Local Coverage Determination (LCD) Policies for additional lab tests/CPT codes. Any lab test contained in one of these NCD/LCD policies must have a covered diagnosis code assigned to indicate medical necessity per Medicare rules. For a complete list of NCD/LCD policies, with test name(s), CPT and ICD-CM code(s), please review:

NCD = <http://www.cms.gov/medicare-coverage-database/indexes/lab-ncd-index.aspx?bc=AgAAAAAAAAAAAA%3d%3d&>

LCD = [http://www.cms.gov/medicare-coverage-database/indexes/lcd-list.aspx?Cntrctr=274&ContrVer=1&CntrctrSelected=274*1&name=National+Government+Services%2c+Inc.+\(06202%2c+MAC+-+Part+B\)&LCntrctr=274*1&DocType=Active&bc=AgACAAAAAAAAAAAA%3d%3d&#ResultsAnchor](http://www.cms.gov/medicare-coverage-database/indexes/lcd-list.aspx?Cntrctr=274&ContrVer=1&CntrctrSelected=274*1&name=National+Government+Services%2c+Inc.+(06202%2c+MAC+-+Part+B)&LCntrctr=274*1&DocType=Active&bc=AgACAAAAAAAAAAAA%3d%3d&#ResultsAnchor)

If a non-covered diagnosis is used the patient must be notified in advance and given the opportunity to sign the Advance Beneficiary Notice (ABN) prior to specimen collection. The ABN must be completed for any Medicare patient where claim denial is suspected based on medical necessity or frequency determinations. The signed, original ABN must be available for review by HCMC Clinical Laboratories by request.

For more information on ABN see:

http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/ABN_Booklet_ICN006266.pdf

- HCMC Clinical Laboratories has specific policies regarding REFLEX TESTING AND CRITICAL ALERT VALUES. Reflex testing is additional testing (with additional cost) that is automatically performed on the basis of the initial results. Procedures that contain a reflexive pathway are identified in our test directory under the individual test listing. Critical Values are listed in the Resources section of our test directory. Please visit <https://www.testmenu.com/hcmc> or contact Colleen Crampton, Administrative Director at 612-873-2632 for more information.
- Medicare Laboratory fee schedule may be found at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/index.html>. Medicaid reimbursement will be equal to or less than Medicare reimbursement
- HCMC Clinical Laboratories has a clinical consultant available to ensure proper test ordering. Please contact:
Fred S. Apple, PhD 612-873-3324

For more information regarding this communication, please contact Colleen Crampton, Administrative Director, at 612-873-2632.

Colleen Crampton, MT (ASCP), MBA
Administrative Director