



KERN HEALTH SYSTEMS

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POLICY AND PROCEDURES					
SUBJECT: Laboratory Billing Guidelines and Restrictions				POLICY #: 6.18-P	
DEPARTMENT: Claims					
Effective Date: 2001-06	Review/Revised Date: 02/19/2015	DMHC		PAC	
		DHCS		QI/UM COMMITTEE	
		BOD		FINANCE COMMITTEE	



 Douglas A. Hayward
 Chief Executive Officer

Date 2/19/15



 Chief Financial Officer

Date 2/13/15



 Director of Claims

Date 2/10/15

POLICY:

All laboratory services must be billed by the provider using the HCFA 1500 or UB-92 form and the appropriate CPT codes and modifiers in accordance with the guidelines and restrictions set forth in this policy and procedure.

PROCEDURE:

1.0 BILLING PREPARATION AND SUBMISSION

Claims should be submitted to KHS in accordance with *KHS Policy and Procedure #6.01-P: Claims and Reimbursement*.

Providers billing professional or outpatient services, except outpatient laboratory, must submit a complete HCFA 1500; inpatient and outpatient laboratory charges should use a UB-92 form to bill for services provided. Applicable American Medical Association CPT codes, including modifiers, should be used to properly identify the professional components, technical components, combined professional/technical components, or laboratory panels provided. Modifier "26" must be used when only the professional component of a service is

provided. Modifier “TC” must be used when only the technical component of a service is provided.

1.1 Per Diem or Case Rates

Laboratory services provided as part of an all-inclusive per diem or case rate should be appropriately coded and reported but will not be separately reimbursed.

1.2 Referring Physician

The referring physician is required on all lab claim submissions.

2.0 RESTRICTIONS AND REQUIREMENTS FOR ADDITIONAL DOCUMENTATION

Claims should be submitted in accordance with the restrictions and requirements for additional documentation in the following table.

Procedure Code	Description	Restriction/Requirement
80100	Drug screen; multiple drug classes – one procedure is used to detect multiple drug classes at one time.	Medi-Cal Product: Screens that are part of a drug treatment program are not reimbursable. Covered by Short-Doyle Medi-Cal.
80101	Drug screen; single drug class	Requires supporting documentation Medi-Cal Product: Screens that are part of a drug treatment program are not reimbursable. Covered by Short-Doyle Medi-Cal.

3.0 LAB PANELS

Multiple services provided as a panel must be represented by the appropriate CPT code for the panel. All services included in the panel must not be billed separately or unbundled. Lab panels that are billed with charges unbundled are denied.

Compensation for laboratory tests that are included in the respective current CPT panel will be reimbursed at the corresponding KHS panel reimbursement rates. However, if the number of test performed are less than the required number of tests for the panel codes but meets the following number of test limits per panel, the reimbursements will likewise be the same level as the corresponding panel reimbursement rates. The CPT code for the individual laboratory test in these panels should be billed separately, unless all components of the panel are performed. If all of the panels’ components are performed, the CPT panel code should be billed. Individual laboratory tests that do not fall under these guidelines should be billed with the appropriate CPT code and will be reimbursed separately.

Panel Procedure Code	Number of Lab Tests
80048	3 or more tests
80051	2 or more tests

80053	4 or more tests
80055	4 or more tests
80061	2 or more tests
80069	4 or more tests
80076	3 or more tests

A demonstrable and unjust pattern of unbundling claims is considered an “unfair billing pattern” by the State of Californiaⁱ. Unfair billing patterns may be reported to the Department of Managed Health Care and the Department of Health Services.

REFERENCE:

Revision 2015-02: Review requested by Compliance Department. **Revision 2011-08:** Revision provided by Chief Operating Officer. **Revision 2007-04:** Revision requested by Claims Department after internal review performed by AIS 03/2007. This policy has not been reviewed by AIS for regulatory compliance.

ⁱ Health and Safety Code §1371.39