



July 28, 2023

Subject: Partnership with Avalon Healthcare for Laboratory Benefit Management Beginning September 28, 2023

Dear Provider,

Molina Healthcare is committed to continuously improving our overall payment process to ensure completeness and accuracy. Beginning September 28, 2023, Molina will collaborate with Avalon Healthcare Solutions (Avalon) on a new laboratory benefit management program.

Avalon will provide routine testing management services to Molina. Routine testing management provides consistent application of laboratory policies while remaining provider and member friendly, through an automated review of high-volume, low-cost lab tests.

Laboratory Benefit Management Program Details:

The laboratory benefit management program impacts providers referring to and performing lab services.

For dates of service on and after September 28, 2023, post-service automated review of lab charges will be conducted for services performed in office, hospital outpatient, and independent laboratory places of services. Molina's review will focus on consistency with our lab policies, guidelines, and industry standardized rules, including, but not limited to:

- Evaluation of services for adherence with policy criteria
- Assessment of clinical appropriateness based upon diagnoses and frequencies
- Evaluating services considered experimental and/or investigational
- Review for appropriateness based on code-specific allowances under Molina policies and guidelines when multiple units are billed

What is Not Changing:

Providers will continue to submit claims for lab services to Molina; and Molina will continue to adjudicate applicable claims for payment.

All associated lab policies will be published on the "Policies" area of the MolinaHealthcare.com website. <https://www.molinahealthcare.com/providers/tx/medicaid/policies/payment.aspx>.

If you have questions regarding this program, please reach out to Molina at MHTXProviderServices@MolinaHealthcare.com.

Sincerely,

Molina Healthcare