

# Laboratory Testing Payment Policy for all Lines of Business

This payment policy provides guidance regarding in-office laboratory testing, and is not intended to address every situation. In instances that are not addressed by this policy, or by another policy or contract, Molina Healthcare retains the right to use discretion in interpreting this policy and applying it (or not applying it) to the laboratory services provided.

This policy is based on guidelines set forth by Molina Healthcare of Ohio for laboratory testing.

## POLICY OVERVIEW

Effective Feb. 1, 2018, laboratory specimens are required to be submitted to in-network clinical laboratories. This requirement will ensure that laboratory services are provided by credentialed laboratories and ensure that Molina Healthcare has access to laboratory data needed to measure performance quality and outcomes related to HEDIS<sup>®</sup>.

Molina Healthcare will allow only the tests listed in the "In-Office Laboratory Tests" document to be performed in the physician's office for all lines of business. All other medically necessary laboratory testing must be directed to an in-network clinical laboratory by the ordering physician. The in-network clinical laboratory must be certified, and offer a comprehensive test menu including routine, complex, drug, genetic testing and pathology.

The "In-Office Laboratory Tests" document is available on our website at <u>www.MolinaHealthcare.com/OhioProviders</u>.

Molina Healthcare's preferred in-network clinical laboratory providers are Quest Diagnostics and LabCorp, who offer numerous benefits to providers, including:

- Widespread patient access: Not only do Quest and LabCorp have free-standing Patient Service Centers across the country, they may also install a drop box in a provider office or send a courier out to pick up lab samples directly from the office.
- Extensive testing options: Quest and LabCorp can perform nearly all laboratory testing required to care for Molina Healthcare's membership, including but not limited to routine medical labs, drug screens and a wide array of genetic test options.
- Access to test results: Providers have access to Quest and LabCorp's online tools to order tests and view test results. Quest and LabCorp provide Molina Healthcare with direct access to Molina Healthcare members' test results, which helps to alleviate year-end HEDIS<sup>®</sup> record audits at the provider office.

Providers may continue to collect the laboratory test specimen(s) in the office prior to sending the specimen(s) to the in-network clinical laboratory.

For more information about In-Network Laboratory Providers, please consult the Molina Provider Directory (<u>https://ProviderSearch.MolinaHealthcare.com</u>).

### PAYMENT

Claims for laboratory tests performed in the physician's office but not on the "In-Office Laboratory Test" document will be denied.



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Specimen collection is allowed, and compensation will be made in accordance with your agreement with Molina Healthcare and any applicable state and federal billing and payment rules and regulations.

Providers will continue to be paid for blood draw and other specimen collections within the normal scope of practice and licensure of provider specialties.

#### DEFINITIONS

<u>In-Office Laboratory Test Document</u> – A Molina Healthcare document cataloguing the allowed in-office laboratory tests. If a test is not included in this document, then the service is not a Clinical Laboratory Improvement Amendments (CLIA) waived test or it is not covered when performed in a physician's office.

<u>In-network Clinical Laboratory</u> – A clinical laboratory that is in the Molina Healthcare network and is a certified, full service laboratory, offering a comprehensive test menu that includes routine, complex, drug, genetic testing and pathology.

<u>Medically Necessary</u> – Medically necessary or medical necessity is defined as services that include medical or allied care, goods or services furnished or ordered that are:

- Necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain.
- Individualized, specific and consistent with symptoms or confirm diagnosis of the illness or injury under treatment and not in excess of the patient's needs.
- Consistent with the generally accepted professional medical standards as determined by applicable federal and state regulations, and not experimental or investigational.
- Reflective of the level of service that can be furnished safely and for which no equally effective and more conservative, or less costly, treatment is available statewide.
- Furnished in a manner not primarily intended for the convenience of the member, the member's caretaker, or the provider.

The fact that a provider has prescribed, recommended or approved medical or allied goods or services does not, in itself, make such care, goods or services medically necessary, a medical necessity or a covered service/benefit.

### Additional Resources

<u>"In-Office Laboratory Test" Document</u>