

Client Annual Compliance Letter 2020

Medical Necessity: our requisitions are designed to emphasize physician choice. Only tests that are medically necessary for the diagnosis or treatment of the patient will be reimbursed.

The Centers for Medicare and Medicaid Services (CMS) has 23 National Coverage Determinations (NCDs) regarding clinical laboratory tests. These decisions state the medical conditions for which laboratory tests are covered, reasonable and necessary on a national level. Additionally, Medicare carriers and fiscal intermediaries have the authority to develop and implement Local Coverage Determinations (LCDs) for the local area that does not conflict with the national determinations. The CMS national policies are listed at: <http://www.cms.hhs.gov/center/clinical>. Medicare generally does not cover routine screening medical exams and screening tests (Exception: entry physical within first 6 months of enrollment into Medicare program). Of note, the Office of Inspector General (OIG) takes the position that a medical provider who orders medically unnecessary tests for which Medicare or Medicaid reimbursement is claimed, may be subject to civil, criminal or administrative penalties under the False Claims Act.

Medicare Advance Beneficiary Notice Of Non-Coverage (ABNs): In an effort to remain compliant with federal billing regulations and avoid notions and perceptions of possible inducement violations and the filing of false claims to CMS, Advanta Analytical Laboratories requests from its clients that a completed copy of the Medicare ABN accompany the lab requisition and specimens when the ordering entity suspects a lab test/s may not be covered by Medicare. Please ensure that all lab orders are submitted with the appropriate ICD 10 diagnoses codes.

Inducements: Advanta Analytical Laboratories does not offer any inducements to clients in order to secure Medicare and Medicaid billings. We do not offer any unfair advantages such as accepting and billing for lab services deemed not medically necessary by CMS. All supplies and equipment provided to customers are directly related to specimen collection, processing, and reporting of test results.

Problem Requisitions / Specimens: Claims for reimbursement are submitted only for tests which have been both ordered and performed. If the laboratory receives a specimen without a test ordered or with unclear testing instructions, the ordering physician will be contacted and asked to provide a revised requisition to the lab (or detailed instructions). Laboratory staff may not add or change tests ordered to the unclear lab requisition.



Medicare Part B Claims: an ICD-10 code(s) must be included on all Medicare Part B Claims when a diagnostic test is ordered to establish medical necessity. Therefore, all requisitions must include the ICD-10 code as the reason for the test.

Required Information: Please use laboratory requisitions preprinted with your location information. The following information is required on all laboratory requisitions:

- Patient's Name
- Birth date
- All Insurance Information and Copies of Insurance Card(s)
- Physician Name and Signature
- Payable ICD-10 Diagnosis Code(s)
- Indication of Test(s) to be performed
- Date & Time of Specimen Collection
- ABN – if applicable

The patient or client will be billed if the above information is not provided for those patients that we have been ordered to bill insurance.

Add-on Test Request: In an effort to ensure that “add-on” requests for clinical laboratory tests are properly documented in accordance with federal guidelines and laboratory policies, all “add-on” requests must be submitted via a faxed lab requisition to our Client Services Department.
Fax: 903-839-2494

Reflex Testing: Reflex testing may be performed in the absence of a specific written order when results of initial testing indicate that a second related test is medically appropriate. Please see the attached **for approved reflex tests.**

Calculated Test Results: Charges for calculations derived from other test results are not submitted for billing. The reporting of such calculations as a part of the test results does not affect any claims for reimbursements to federal or privately funded healthcare programs.

Panel Testing: All tests should be ordered separately except for those contained in federally defined laboratory panels. No tests are provided to customers or potential customers free-of-charge or at below cost either as a professional courtesy or in order to secure additional business. We cannot accept custom panel orders for third party insurance billing. Lab requisitions received with such requests will be delayed until clarification can be obtained from the ordering entity. Delays for testing and results may exceed 24 hours from time of receipt.



Prohibited Referrals: It is Advanta Analytical Laboratories' policy to comply with all aspects of the self-referral prohibitions and exceptions established by Stark I and II.

Monitoring: All laboratory testing sites are regularly monitored to safeguard against unintentional violations of federal compliance guidelines. Monitoring activities are also aimed at raising awareness of federal guidelines and assisting in developing mechanisms for successfully meeting them.

Web Sites: Clinical Laboratory Center/ Medicare
<http://www.cms.hhs.gov/center/clinical>

OIG Compliance Program Guidance for Clinical Laboratories
<http://oig.hhs.gov/authorities/docs/cpqlab.pdf>

The False Claims Act
<http://oig.hhs.gov/fraud/falseclaimsact.asp>

The Sarbanes-Oxley Act of 2002
<http://www.soxlaw.com/>

HIPAA Privacy Rule
<http://www.hhs.gov/ocr/hipaa/>

Anti-kickback Statute – Safe Harbor Regulations
<http://www.oig.hhs.gov/fraud/safeharborregulations.asp>

Texas Illegal Remuneration Law: Prohibition
<https://statutes.capitol.texas.gov/Docs/HS/htm/HS.161.htm>

The Physician Payments Sunshine Act (PPSA)
www.cms.gov/openpayments/index.html

Physician Self Referral Law, Stark I, II, III
<http://www.cms.hhs.gov/physicianselfreferral/>

Advanced Beneficiary Notices
<http://www.cms.hhs.gov/BNI/>

Client Signature: _____

Print Name: _____

Date: _____