

November, 2024

# LAByrinth

## Industry, Billing, and Operational News for Laboratories

Presented by ADSRCM, a leading provider of revenue cycle management, financial, operational, and outsourced staffing services for every type of Laboratory



### **Message from Jim:**

### **The Final Rule on CLIA Testing Proficiency: Rules is Rules**

Yes, rules *is* rules and this one could very much affect you.

To assist laboratories in preparing for these new CLIA testing regulations, CMS has updated their proficiency testing (PT) and PT referral content on their website.

The new content will help those affected to be ready by the start date of January 1, 2025. (Yes, it's coming up quickly at this point.)

[Click here to view the CMS/CLIA program website](#) for the info you'll need.

We hope you enjoy the rest of the read!

### **AHA's Healthcare Workforce Report**

The report (aka, "scan") was developed by the American Hospital Association (AHA) and while it's not laboratory-specific, it does encompass the spectrum of a hospital's workforce which of course includes laboratories.

The scan focused on:

- ✓ Embracing technology
- ✓ Engage clinicians in technology strategies



**Jim O'Neill**

*Sales Manager, Laboratory Services*

- ✓ Boosting partnerships, training, and improving skills
- ✓ Building a more engaged workforce

No doubt some of these points could be applied to your own laboratory whether it's hospital-based or not.

[Click here for the full AHA report.](#)

(Your in-house staffing issues can be consolidated with our outsourced, behind-the-scenes team of laboratory billing, EDI, analytics, and workflow experts using the AI-driven MedicsPremier automation platform for laboratories.)

## Laboratories and Environmental Disasters and Events

Some environmental occurrences are relatively minor with no long-term upheavals. Others, as seen recently in the form of storms, hurricanes, floods, and fires, have had catastrophic results which is not an over-dramatization. Unfortunately, you might have first-hand experience with this. If so, then you certainly know we're not being overdramatic.

Not that this needs to be validated, but the Joint Commission (JC) has just released content on how healthcare facilities can best prepare for environmental disasters which often don't provide much lead time when they hit.

Thumbnailing it, the JC recommends, among other things, that healthcare facilities review and update emergency plans as needed, develop communications infrastructure to be as robust as possible, practice drills and evacuation, and work on recovery.

On the technology side, you should work with companies and vendors who themselves work with SOC 1 and 2 certified hosting environments for their cloud-based servers, and that they maintain secure and redundant physical protections that are virtually (no pun intended) impervious to environmental disasters. You'll want to know that your data is being backed up at least daily.

If you're hosting your servers locally at your laboratory, you'll want to make sure you're doing your own backups daily and secure the backup media should it be needed to restore data.

[Click here for the JC article and its details.](#)

(ADSRM uses Equinix, a SOC 1 and 2 certified, world class cloud hosting facility ensuring, to the best extent possible, that our clients are protected from environmental disasters. ADS does the same for clients who use MedicsPremier as an in-laboratory, cloud-based platform.)

## Coalition calls for LDT Reform

Your finances were helped when Congress again deferred proposed Medicare reimbursement cuts of up to A new coalition including the Mayo Clinic, Roche, Thermo Fischer, CAP, Friends of Cancer Research, and Alexion is urging Congress to pass comprehensive LDT legislation, with litigation pending over LDT regulation.

The coalition has prevailed upon congressional leaders to support comprehensive diagnostics legislation which includes an abbreviated premarket pathway for LDTs, and with exemptions for tests on pediatric and rare diseases. It (the coalition) stated that the FDA's final rule to regulate LDTs requires a significant investment by laboratories which is doubly risky for laboratories given the FDA's discretion to change its policy at any time.

[Click here to see the coalition's letter](#) dated November 12 [and here for the rule](#) as it appears in the Federal Register.

## Laboratory Denials: Specificity Specifically Specified

Unfortunately, you might already know this from personal experience: laboratory claims get denied often because they lack specificity.

When claims are submitted with unsupported diagnosis codes almost assuredly payers will deny them. Remember, payers appear to already be in business as much to deny as they are to pay, and maybe more. So, they don't need much additional prompting to deny based on unsupported diagnosis codes.

Worse, it's often reported that payers use AI to deny incalculable numbers of claims in seconds which is why your AI needs to be as good or better than theirs.

What you need are AI-driven platforms and services working for you that will proactively alert on claims likely to be denied, the reasons for those denials, and suggestions on editing those claims first before submitting them. Based on your volume, you'd avoid hundreds and perhaps even thousands of denials and beat your insurance payers at their own game.

You'll also want to know for any denials that slip through (there will be some), that your RCM service can quickly edit and resubmit those ("quickly" means within 72 business hours of them being denied). Completing your denials defense are automated routines for pre-testing eligibility verifications, alerts on out-of-network situations, and an automated prior authorizations option.

Steeling yourself against denials is doable assuming you have the tools needed to do so.

(ADSRM supports denial prevention/management as described, as well as the other features needed to ensure you'll be paid for every test to the very best extent possible.)

## Pharmacogenomic Testing Coverage Eliminated

UnitedHealthcare, On November 1, UnitedHealthcare issued a new directive eliminating coverage of multi-gene panel (five or more genes) pharmacogenetic tests for its commercial and individual exchange plans effective January 1, 2025.

This will be especially impactful if you perform pharmacogenetic test panels for guiding therapy decisions for antidepressant and antipsychotic medications. It will affect approximately 30 million UHC commercial and individual exchange members but does not affect UHC's Medicare Advantage (7.8 million members) and managed Medicaid (7.5 million members) plans.

[Click here for details from UHC.](#)

## Labfraudatory Article of the Month

If a laboratory owner *knowingly* bills their state's Medicaid for urine tests that were medically unnecessary, that owner should expect trouble. This is exactly what happened with a laboratory based in NC which was ordered to repay \$235,000.

A consulting firm was also involved. The firm's owners pleaded guilty to conspiracy to commit healthcare fraud and violating the Anti-Kickback Statute.

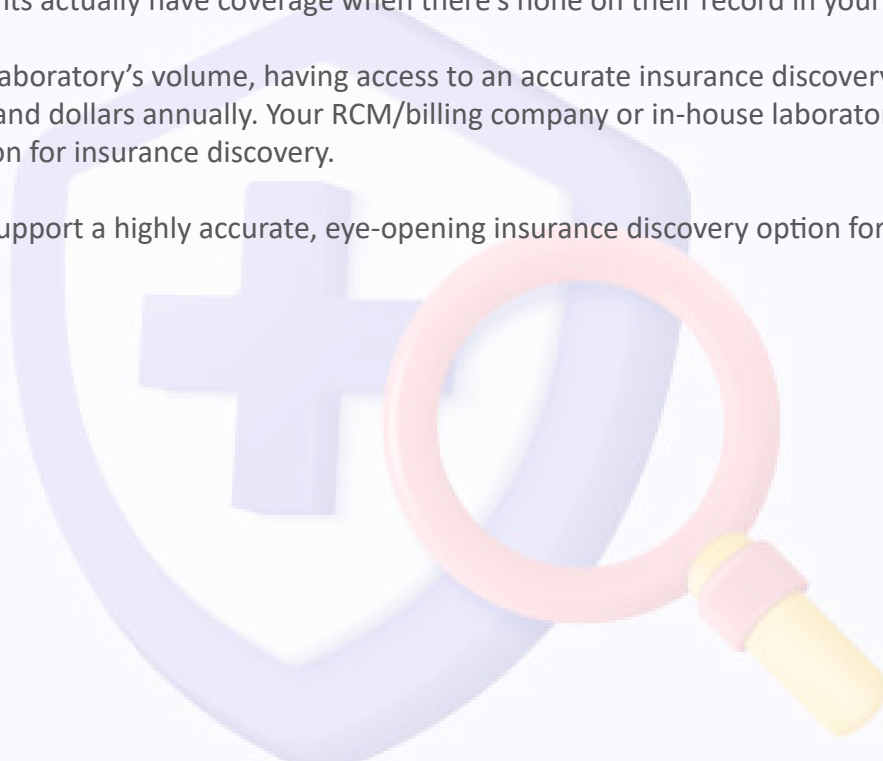
All of the details can be seen on [the press release](#) by the US Attorney's Office for the Western District of NC.

## Discovering Insurance

Non-face-to-face medical specialties such as laboratories have a particular need to be explorers in a quest to discover patients' insurance whenever it's completely or partially missing. You'd be surprised to find as many as 30% to 40% of patients actually have coverage when there's none on their record in your system.

Depending on your laboratory's volume, having access to an accurate insurance discovery option could be worth several thousand dollars annually. Your RCM/billing company or in-house laboratory billing system should have an option for insurance discovery.

(ADSRM and ADS support a highly accurate, eye-opening insurance discovery option for our laboratory clients.)



### Next Up:

December, with the holiday spirit and new articles and items of interest for laboratories

Contact us at [844-599-6881](tel:844-599-6881) or by emailing [rcminfo@adsc.com](mailto:rcminfo@adsc.com) for more about how you can drive maximized revenue and productivity for your laboratory with ADSRCM or about the MedicsPremier platform if in-laboratory automation is preferred.

*Feedback or comments on our newsletters/content are greatly appreciated. Please opine by emailing [marc.klar@adsc.com](mailto:marc.klar@adsc.com) or by calling me at 973-931-7516. We'd love to hear from you!*

*-Marc E. Klar, Vice President, Marketing, ADS RCM.*

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The ADS Building, 15 Prospect Street, Paramus, NJ 07652

844-599-6881 • [rcminfo@adsc.com](mailto:rcminfo@adsc.com) • [www.adsc.com](http://www.adsc.com)