



# **INDEPENDENT LABORATORIES**

*Chapter Twenty-Seven of the Medicaid Services Manual*

**Issued March 23, 2011**

Claims/authorizations for dates of service on or after October 1, 2015 must use the applicable ICD-10 diagnosis code that reflects the policy intent. References in this manual to ICD-9 diagnosis codes only apply to claims/authorizations with dates of service prior to October 1, 2015.

**State of Louisiana  
Bureau of Health Services Financing**

---

**CHAPTER 27: INDEPENDENT LABORATORIES**

---

**SECTION: TABLE OF CONTENTS**

---

**PAGE(S) 1**

---

**INDEPENDENT LABORATORIES****TABLE OF CONTENTS**

<b><u>SUBJECT</u></b>	<b><u>SECTION</u></b>
<b>OVERVIEW</b>	<b>SECTION 27.0</b>
<b>COVERED SERVICES</b>	<b>SECTION 27.1</b>
<b>PROVIDER REQUIREMENTS</b>	<b>SECTION 27.2</b>
<b>REIMBURSEMENT</b>	<b>SECTION 27.3</b>
<b>FEE SCHEDULE</b>	<b>APPENDIX A</b>
<b>CONTACT INFORMATION</b>	<b>APPENDIX B</b>

---

**CHAPTER 27: INDEPENDENT LABORATORIES**

---

**SECTION 27.0: OVERVIEW****PAGE(S) 1**

---

## **OVERVIEW**

The Medicaid Independent Laboratories Program provides payment for medically necessary clinical laboratory services provided in independent laboratories. An independent laboratory is a freestanding laboratory that is independent of both the ordering provider and the hospital where other services are rendered.

The purpose of this chapter is to set forth the conditions and requirements that independent laboratories must meet to qualify for reimbursement from Louisiana Medicaid. For laboratory services conducted in providers' offices, providers should refer to the corresponding section in the "Professional Services" chapter. For hospital laboratory services, providers should refer to the corresponding sections in the "Hospital Services" chapter.

---

**CHAPTER 27: INDEPENDENT LABORATORIES**

---

**SECTION 27.1: COVERED SERVICES****PAGE(S) 1**

---

### **COVERED SERVICES**

Medicaid covers medically necessary laboratory tests needed to diagnose and appropriately treat a specific condition, illness, or injury. Screening laboratory tests are only considered medically necessary if recommended as Grade A or B by the United States Preventive Services Taskforce, specified in the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) Program, or as otherwise specified in Medicaid policy.

When multiple laboratory tests are conducted simultaneously, for example as part of a profile, battery, or panel, each individual test must be medically necessary for the profile, battery, or panel to be considered medically necessary.

For clinical criteria and limitations related to specific laboratory services, please see the corresponding sections in Chapter 5, *Professional Services*, of the Medicaid Provider Manual.

---

**CHAPTER 27: INDEPENDENT LABORATORIES**

---

**SECTION 27.2: PROVIDER REQUIREMENTS****PAGE(S) 1**

---

**PROVIDER REQUIREMENTS**

To enroll in Louisiana Medicaid, independent laboratories must:

1. Be licensed and certified by the appropriate licensing agency;
2. Adhere to all state and federal laws and regulations; and
3. Meet Medicare/Medicaid participation requirements.

Independent laboratories must also be certified under the Clinical Laboratory Improvements Act (CLIA). Independent laboratories are limited to billing the laboratory services that they are CLIA-certified to perform. Independent laboratories must notify the Medicaid fiscal intermediary (FI) of any changes in their CLIA certification status and the test specialties they have been certified to perform. (See Appendix B for contact information).

Providers must meet the following requirements, as well as any other requirements specified by the Louisiana Department of Health (LDH):

1. Adhere to the conditions of participation outlined in their provider agreements;
2. Maintain and retain business and professional records sufficient to document fully and accurately the nature, scope, and details of the health care provided; and
3. Provide all necessary accommodations to meet the needs of persons with semi-ambulatory disabilities, sight, and hearing disabilities.

---

**CHAPTER 27: INDEPENDENT LABORATORIES**

---

**SECTION 27.3: REIMBURSEMENT****PAGE(S) 1**

---

**REIMBURSEMENT**

Laboratory services do not require prior authorization (PA). However, some laboratory services, as indicated on the fee schedule, require medical review to receive reimbursement. (See Appendix A for Fee Schedule information).

Independent laboratories may only receive reimbursement for laboratory services when they directly perform, or supervise, the service. When submitting claims, providers must use the most appropriate Healthcare Common Procedure Coding System (HCPCS)/Current Procedural Terminology (CPT) code representing the service performed.

Providers must follow guidelines indicated in the pertinent CPT manual, unless specifically directed otherwise by the department.

Limitations on select services are indicated on the fee schedule, in provider manuals, or both.

Clinical Laboratory Improvement Amendments (CLIA) claim edits are applied to all claims for laboratory services that require CLIA certification. Those claims that do not meet the required criteria will be denied. Claims are edited to ensure payment is not made to the following:

1. Providers who do not have a CLIA certificate;
2. Providers submitting claims for services rendered outside the effective dates of the CLIA certificate; and
3. Providers submitting claims for services not covered by their CLIA certificate.

Reimbursement for clinical laboratory procedures shall not exceed 100 percent of the current year's Medicare allowable rate. Reimbursement of clinical laboratory services made at the lower of billed charges or the Medicaid fee on file, minus the amount which any third party coverage would pay.

## **FEE SCHEDULE**

The *Laboratory and Radiology* fee schedule applicable for Independent Laboratories is found on the Louisiana Medicaid website, [www.lamedicaid.com](http://www.lamedicaid.com), using the Fee Schedules link.

---

**CHAPTER 27: INDEPENDENT LABORATORIES**

---

**APPENDIX B – CONTACT INFORMATION****PAGE(S) 1**

---

**CONTACT INFORMATION**

OFFICE NAME	TYPE OF ASSISTANCE	CONTACT INFORMATION
Louisiana Department of Health (LDH) Medicaid Managed Care Section	Specific information about the Independent Laboratory program	Louisiana Department of Health Bureau of Health Services Financing (BHSF) Medicaid Managed Care Section P.O. Box 91030 Baton Rouge, LA 70821 Phone: (225) 342-1304
LDH Health Standards Section (HSS)	Information about Clinical Laboratory Improvement Amendments (CLIA)	Louisiana Department of Health Health Standards Section P.O. Box 3767 Baton Rouge, LA 70821 Phone: (225) 342-0138
Gainwell Technologies Provider Enrollment Unit (PEU)	Provides assistance with provider enrollment, provider changes and direct deposit problems	Gainwell Technologies Provider Enrollment Unit P. O. Box 80159 Baton Rouge, LA 70898-0159 Phone: (225) 216-6370
Gainwell Technologies Provider Relations Unit	Provides assistance with questions regarding billing information	Gainwell Technologies Provider Relations Unit P. O. Box 91024 Baton Rouge, LA 70821 Phone: 1-800-473-2783 or (225) 924-5040
Medicaid Eligibility Verification System (MEVS)/Recipient Eligibility Verification System (REVS)	Verifies beneficiary eligibility	<a href="http://www.lamedicaid.com">www.lamedicaid.com</a>