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## Des Moines Laboratory Update

Date: April 19th, 2023

### Annual Notice to Physicians – April 2023

In accordance with the recommendations of the Office of Inspector General (OIG), MercyOne Des Moines Laboratory provides the following information to educate providers on issues related to compliance, billing and coding practices of the clinical laboratory.

- Claims submitted for services will only be paid if the service is covered, reasonable and necessary for the patient, given his/her clinical condition.
- Federal law requires that the ordering physicians provide diagnostic information with every test requisition. Laboratory coverage and coding updates and the Medicare laboratory fee schedule may be found on the following websites:  
[https://www.cms.gov/medicare-coverage-database/overview-and-quick-search.aspx?inf\\_contact\\_key=39740a6d560fe854ff80b67db92310b5b06eff09c9c520b2a2ba2c4536867bf6](https://www.cms.gov/medicare-coverage-database/overview-and-quick-search.aspx?inf_contact_key=39740a6d560fe854ff80b67db92310b5b06eff09c9c520b2a2ba2c4536867bf6)  
[https://www.cms.gov/Medicare/Medicare.html?inf\\_contact\\_key=3f4037628725e937fae36d22801c2c32120337ff41263fee1b33a075d0df4d3](https://www.cms.gov/Medicare/Medicare.html?inf_contact_key=3f4037628725e937fae36d22801c2c32120337ff41263fee1b33a075d0df4d3)
- Medicare generally does not cover routine screening tests. Information on Medicare preventative services and frequency can be found at the following website:  
<https://www.cms.gov/Medicare/Prevention/PrevntionGenInfo/medicare-preventive-services/MPS-QuickReferenceChart-1.html>
- Medicare does not pay for tests classified by the performing laboratory as research use or investigational use only.
- Tests ordered that do not meet the requirements for coverage must be accompanied by an Advanced Beneficiary Notice.
- Medicare organ or disease related panels will only be paid by Medicare when all components of the panel are medically necessary.
- The ordering provider and/or facility must maintain in the facility's patient record, all required documentation to support the medical necessity of the services requested. A copy of the facility's medical record documentation may be requested in the event of a Medicare or compliance audit.

### **Advanced Beneficiary Notice (ABN)**

The Centers for Medicare and Medicaid Services requires Medicare carriers implement policies to ensure that services paid by Medicare are medically necessary. If there is reason to believe that Medicare will not pay for a test the patient must be informed. The patient will be liable, providing that an ABN was given by the provider of the services and/or the ordering provider prior to the service. Without the ABN, services denied by Medicare as routine screening or not “medically necessary” cannot be billed to the beneficiary.

Additional information about ABNs can be found using the following link:

[https://www.mercyone.org/desmoines/\\_assets/documents/service-and-specialty/40362-1166-medical-necessity-and-advanced-beneficiary-notice-\(abn\).docx](https://www.mercyone.org/desmoines/_assets/documents/service-and-specialty/40362-1166-medical-necessity-and-advanced-beneficiary-notice-(abn).docx)

The ABN forms can be found on our website:

<https://www.mercyone.org/desmoines/find-a-service-or-specialty/lab-services/for-clients/collection-brochures-and-forms>

### **Laboratory Order Requirements**

Testing will be performed only upon receipt of an appropriate written or electronic order. All orders **must** include the following information:

- Patient's legal first and last name
- Patient's gender
- Date of Birth (month/day/year)
- Diagnosis codes for the medically necessary tests ordered. **ICD 10 codes are required.**
- Ordering provider
- Tests required. Provider has clearly identified tests to be ordered.
- Time and date of specimen collection
- Source of specimen, when appropriate
- Advanced Beneficiary Notice (ABN), as needed.

Specimens received without a valid test order or with a test order that is ambiguous will not be completed until the provider can be contacted to verify the specific test being requested.

Orders are valid for 30 days of date written or expected date of collection.

### **Reflex Testing**

Additional laboratory testing may be added on to the original provider’s order without any additional written orders from provider. Reflex tests are based on initial laboratory results and must be medically necessary. Our Reflex Testing Policy can be found on our website:

[https://www.mercyone.org/desmoines/\\_assets/documents/lab-services/40362-1526-mercy-clinical-laboratory-reflex-testing-policy.pdf](https://www.mercyone.org/desmoines/_assets/documents/lab-services/40362-1526-mercy-clinical-laboratory-reflex-testing-policy.pdf)

### **Custom Profiles**

Custom profiles are generally discouraged due to the increased risk of ordering tests that are not covered, reasonable or necessary. When custom panels are requested, the provider will be asked to sign an annual Custom Profile Agreement document and will be responsible to ensure that each test in the profile meets the medical necessity requirements each time the custom profile is ordered.

**Proficiency Testing Handling**

MercyOne Des Moines Laboratory is unable to accept client proficiency testing (PT) requests. PT testing must be exclusively performed by the client at their facility. Should proficiency testing be received by our laboratory, a report will be made to the appropriate regulatory agency.

**Provider Reminder**

Providers are reminded that the OIG takes the position that an individual who knowingly causes a false claim to be submitted may be subject to sanctions or remedies available under civil, criminal and administrative law.

**Additional Information**

Clinical Laboratory-specific Medicare information can be found at the following CMS website:

<http://www.cms.gov/Center/Provider-Type/Clinical-Labs-Center.html>

MercyOne Des Moines Laboratory website:

<https://www.mercyone.org/desmoines/find-a-service-or-specialty/lab-services/>

Thank you for your attention to these important matters of mutual concern.

Please feel free to contact us if you have any questions.

Sincerely,

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