

To:
Inpatient Hospital
Providers
Outpatient
Hospital
Providers
HMOs and Other
Managed Care
Programs

Hospital Laboratories Are Required to Become Certified as Independent Laboratories to Receive Reimbursement Resulting from Transferred Specimens

Effective for dates of service on and after January 1, 2006, Medicaid-certified outpatient hospital providers may receive reimbursement for laboratory services only when the services result from a recipient visit to the outpatient hospital. Therefore, outpatient hospitals may *only* receive reimbursement resulting from specimens transferred from outside the hospital when the hospital laboratory becomes separately certified as an independent laboratory.

As specified in HFS 107.08(1)(b), Wis. Admin. Code, Medicaid-covered outpatient hospital services must result from a recipient visit to the outpatient hospital. Effective for dates of service on and after January 1, 2006, Medicaid-certified outpatient hospital providers may receive reimbursement for laboratory services only when the services result from a recipient outpatient visit.

Therefore, outpatient hospitals may *only* receive reimbursement resulting from specimens transferred from outside the hospital when the hospital laboratory becomes separately certified as an independent laboratory.

A laboratory located in a hospital must become separately certified as an independent laboratory if the laboratory accepts, or intends to accept, transferred specimens from any provider, clinic, or facility that is not included as part of the approved hospital facility. Refer to the Hospital Services Handbook for the definition of an approved hospital facility.

Reimbursement

Laboratory services resulting from transferred specimens are reimbursed at the lesser of the provider's usual and customary charge and the maximum allowable fee. Medicaid maximum allowable fee schedules for independent laboratory services are available on the Medicaid Web site at dhfs.wisconsin.gov/medicaid/.

Certification Requirements

Wisconsin Medicaid requires independent laboratories to meet the following requirements:

- The laboratory must be Medicare certified.
- The laboratory must have a current, verified, unrevoked, and not suspended Clinical Laboratory Improvement Amendment (CLIA) certificate.

Providers may obtain CLIA certification information from the Centers for Medicare and Medicaid Services Web site at www.cms.hhs.gov/ or from the Bureau of Quality Assurance by calling (608) 243-2023 or by writing to the following address:

Bureau of Quality Assurance
Division of Disability and Elder Services
Clinical Laboratory Unit
Ste 300
2917 International La
Madison WI 53704

Certification Packets

A provider is required to submit a certification packet to become Medicaid-certified as an independent laboratory. Certification packets may be obtained from the Medicaid Web site or from Provider Services at (800) 947-9627 or (608) 221-9883.

Policies and Procedures for Laboratories

Providers will receive written notification of their effective date for certification as an independent laboratory provider. With this notification, providers will receive information regarding policies and procedures for independent laboratory services. Wisconsin Medicaid will assign an eight-digit provider number for the independent laboratory, which must be used when submitting claims for tests

performed on transferred specimens. The provider number will be effective for services performed on and after the effective date for certification.

Information Regarding Medicaid HMOs

This *Wisconsin Medicaid and BadgerCare Update* contains Medicaid fee-for-service policy and applies to providers of services to recipients on fee-for-service Medicaid only. For Medicaid HMO or managed care policy, contact the appropriate managed care organization. Wisconsin Medicaid HMOs are required to provide at least the same benefits as those provided under fee-for-service arrangements.

The *Wisconsin Medicaid and BadgerCare Update* is the first source of program policy and billing information for providers.

Although the *Update* refers to Medicaid recipients, all information applies to BadgerCare recipients also.

Wisconsin Medicaid and BadgerCare are administered by the Division of Health Care Financing, Wisconsin Department of Health and Family Services, P.O. Box 309, Madison, WI 53701-0309.

For questions, call Provider Services at (800) 947-9627 or (608) 221-9883 or visit our Web site at dhfs.wisconsin.gov/medicaid/.

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