



## ACM Medical Laboratory, Inc. Compliance Program Guidance

In February 1997, the Office of the Inspector General issued a Model Compliance Program for Clinical Laboratories. A revision to this program, The Office of Inspector General's Compliance Program Guidance for Clinical Laboratories, was issued in August 1998. Integral parts of both of these guidance programs are the requirement for clinical laboratories to notify its clients on an annual basis of specified information.

Effective January 1, 1998, the Balanced Budget Act (BBA) was amended by adding the following paragraph:

*In the case of an item or service ordered by a physician or practitioner, but furnished by another entity (e.g., a clinical laboratory), if Medicare requires diagnostic or other medical information in order for payment to be made, the physician or practitioner shall provide that information to the entity at the time that the item or service is ordered by the physician or practitioner.*

Additionally, Upstate Medicare Division, our local Medicare contractor, in its March 1998 Provider Bulletin states:

*Physicians and practitioners will be required to provide diagnostic information when ordering services that are furnished by another entity when there is a local medical review policy (LMRP) requiring such diagnostic information from the physician.*

*With the passing of the BBA, physicians and other practitioners will now be required to provide this information to the entity furnishing the service at the time the service is ordered if there is an LMRP requesting such diagnosis information from the entity performing the service.*

In addition to LMRPs, National Coverage Determinations (NCDs) have been established by Medicare. NCDs set forth whether Medicare will cover or not cover specific services, procedures or technologies on a national basis. These are similar to LMRPs in that diagnostic information provided with the claim is used to determine coverage. Effective December 7, 2003, LMRPs were replaced with Local Coverage Determination (LCDs).

ACM Medical Laboratory has LCD/NCD Manuals available with information provided by our local Medicare contractor. Contact your ACM Field Service Specialist to receive a copy.

- Organ and disease related panels will only be paid and will only be billed when documentation is provided that all components are medically necessary.
- The Medicare laboratory fee schedule is available at <http://www.umd.nycpic.com/fees.html>
- Medicaid reimbursement amounts for laboratory testing will be equal to or less than the amount of Medicare reimbursement.
- John D'Souza, MD, ACM Medical Director, is available for consultation regarding the appropriateness of the testing ordered and interpretation of test results. Dr. D'Souza can be reached at 1.800.525.5227 extension 2246.

If you have questions regarding the Compliance Program please contact Anne Baitsholts, Corporate Compliance Officer, at 585-429-2398.