



Mike DeWine, Governor
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Maureen M. Corcoran, Director

Medicaid Advisory Letter (MAL) No. 645

DATE: July 22, 2020

TO: Eligible Medicaid Providers
Chief Executive Officers, Managed Care Plans
Other Interested Parties

FROM: Maureen M. Corcoran, Medicaid Director

SUBJECT: ***Payment for Laboratory Services Furnished at a Federally Qualified Health Center (FQHC) or Rural Health Clinic (RHC)***

The Ohio Department of Medicaid (ODM) is providing this guidance to clarify when and how an FQHC or RHC may submit a claim to ODM for laboratory services furnished at an FQHC or RHC. Although FQHCs and RHCs are required to furnish certain laboratory services,¹ laboratory services in general are paid separately and outside of the prospective payment system (PPS) because they are not within the scope of the Ohio Medicaid FQHC or RHC benefit.²

ODM follows Medicare's policy concerning laboratory services for which payment is made under the PPS. The Medicare Benefit Policy Manual (<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Internet-Only-Manuals-IOMs-Items/CMS012673>) lists seven laboratory tests and services that are treated as part of an FQHC or RHC service: venipuncture, chemical examination of urine by stick or tablet method or both, hematocrit or hemoglobin analysis, blood sugar analysis, examination of stool specimens for occult blood, pregnancy test, and primary culturing for transmittal to a certified laboratory.

Payment for all other laboratory services is made separately outside of the PPS; therefore, such services should not be reported on claims submitted to Medicaid for FQHC or RHC visits paid under the PPS, nor should they be reported on claims for wraparound payments. Instead, they should be reported separately, either as laboratory services performed by an independent laboratory under its provider number (provider type 80) or as covered non-FQHC/non-RHC services performed by the FQHC/RHC under its "clinic" provider number (provider type 50).

Maximum payment amounts for covered laboratory services are listed on the Laboratory Services payment table at <http://www.medicaid.ohio.gov> [PROVIDERS > Fee Schedule and Rates > (I Agree)].

¹ For FQHCs, see section 330(b)(1)(A)(i)(II) of the Public Health Service Act; for RHCs, see section 1861(aa)(2)(G) of the Social Security Act.

² See the CMS-approved state plan for FQHC and RHC services, effective October 1, 2016, at <https://www.medicaid.ohio.gov/MEDICAID-101/Medicaid-State-Plan>.

Additional Information

Information about the services and programs of the Ohio Department of Medicaid may be accessed through the main webpage at <http://www.medicaid.ohio.gov>.

The Medicaid managed care plans (MCPs) may have specific claim submission requirements that differ from the requirements for Medicaid fee-for-service claim submission through the MITS provider portal. Questions about MCP claim submission requirements should be directed to the MCPs.

Questions

Questions pertaining to this MAL may be directed to the Ohio Department of Medicaid.

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