



Medicaid Transmittal Letter (MTL) No. 3334-20-07
Medicaid Transmittal Letter (MTL) No. 3345-20-01

DATE: December 22, 2020

TO: Eligible Medicaid Providers of Laboratory Services
Eligible Medicaid Providers of Portable X-Ray Supplier Services
Eligible Medicaid Providers of Independent Diagnostic Testing Facility Services
Eligible Medicaid Providers of Mammography Supplier Services
Chief Executive Officers, Medicaid Managed Care Plans
Other Interested Parties

FROM: Maureen M. Corcoran, Medicaid Director

SUBJECT: Revision of the Rules in Chapter 5160-11 of the Ohio Administrative Code and Clinical Lab Payment Updates for Definitive Drug Testing

Coverage and payment policy for laboratory, portable X-ray supplier, and independent diagnostic testing facility (IDTF) services have been set forth in six rules located in Chapter 5160-11 of the Ohio Administrative Code:

- 5160-11-01, "Laboratory-related services: definitions and explanations"
- 5160-11-02, "Laboratory-related services: general provisions"
- 5160-11-03.1, "Laboratory-related services: provisions specific to laboratory procedures"
- 5160-11-03.2, "Laboratory-related services: provisions specific to portable X-ray services"
- 5160-11-03.3, "Laboratory-related services: provisions specific to independent diagnostic testing facility (IDTF) services"
- 5160-11-09, "Laboratory-related services: claim payment"

These six rules are being rescinded and their provisions incorporated into three new rules:

- 5160-11-11, "Laboratory services"
- 5160-11-21, "Portable x-ray supplier services"
- 5160-11-31, "Independent diagnostic testing facility (IDTF) services"

Most of the revisions embodied in the new rules involve improvements in the organization of the chapter, restructuring of the individual rules, updating of references, and clarification of phrasing. A few specific revisions are worth noting:

- In recognition of the expanding roles of many healthcare professionals, the term 'physician' has generally been replaced with 'practitioner'. 'Physician pathology procedure' has been replaced with 'pathology procedure'.
- The range of forms a written order may take has been expanded to include handwriting, typed text, electronic transmission, or any other legally recognized format.
- A new provision has been added that imposes frequency limits on urine drug screening. For presumptive screens, payment may be made for 30 dates of service per benefit year; for definitive tests, 12 dates of service per benefit year. These limits may be exceeded with prior authorization.

- A change in the payment structure for laboratory services was implemented on January 1, 2018. This date, now past, has been struck.
- Medicare enrollment requirements for portable X-ray suppliers and IDTFs have been removed because they are redundant. By the nature of the industry or by law, these providers already participate in Medicare.

The Laboratory Services payment schedule, available at <https://medicaid.ohio.gov/Provider/FeeScheduleandRates/SchedulesandRates#1682576-laboratory-services>, is being updated to incorporate the following changes:

- The Ohio Department of Medicaid (ODM) has made a decision to stop using the CPT codes maintained by the American Medical Association (AMA) for the reporting of definitive drug tests and to adopt instead the HCPCS codes maintained by the Centers for Medicare and Medicaid Services (CMS). In all cases, definitive testing should be performed only for drugs or drug classes that are likely to be present, as indicated by (1) the patient's medical history, (2) the patient's current clinical presentation, and (3) current patterns of use and abuse in the general population. It is neither medically necessary nor reasonable to test routinely for substances (licit or illicit) not meeting these criteria.
- Maximum payment amounts are established for laboratory procedures newly adopted in 2020.
- Existing maximum payment amounts that exceed a certain percentage of the corresponding Medicare Clinical Laboratory Fee Schedule amounts are reduced.
- Coverage is established for some proprietary laboratory analysis procedures.

These changes take effect on January 1, 2021.

Additional Information

Information about the services and programs of the Ohio Department of Medicaid (ODM) may be accessed through the main ODM web page, <http://www.medicaid.ohio.gov>.

Questions pertaining to this letter should be directed to the Ohio Department of Medicaid:

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