October 12, 2018

Laboratory Update:

2018 Annual Update 2 - Laboratory Compliance

To our Valued Healthcare Providers:

Lenco Diagnostic Laboratories maintains an active compliance program that reflects our commitment to conduct business in compliance with all federal, state and local laws. As a participant in federally funded healthcare programs, Lenco delivers annual provider information and education regarding laboratory compliance, billing and coding guidelines, and information to our provider clients on the responsibilities we share. This update specifies current Medicare/Medicaid program requirements and Lenco’s policies.

Recent policy changes and Health Plan actions, has encouraged Lenco to more aggressively enforce long-standing Medicare and Medicaid policies.

Medicare/Medicaid Requisition Signature Requirements:

Medicare requires that services provided/ordered be authenticated by the author. The signature for each entry must be legible and should include the practitioner’s first and last name. **Unsigned physician orders or unsigned requisitions alone do not support physician intent to order.** Physicians should sign all requisitions for diagnostic services to avoid potential denials. In the absence of a signed requisition, documentation of your intent to order each laboratory test must be included in the patient’s medical record and available to Lenco upon request, as needed. Documentation must accurately describe the individual test ordered; it is not sufficient to state ‘labs ordered’.

Pre-printed test order requisitions is the tool used to communicate the physician order to the laboratory, but is NOT considered a valid ‘order’ as defined by Medicare. Upon request by Lenco or its payers/auditors, ordering providers are required to provide any/all chart documentation (including physician signature) that reflects the actual lab order(s) and supports authenticity and medical necessity of the lab order(s) submitted.
Acceptable Signatures:

- Handwritten orders signed and dated by the provider.
- Electronic signatures that contain date and timestamps and include printed statements (e.g. ‘electronically signed by’ or ‘verified/reviewed by’) followed by the practitioners name and preferably a professional designation.
- Legible full signature
- Legible first initial and last name
- Illegible signature over a typed/printed name

Unacceptable Signatures:

- Signature stamps are not acceptable. Signature stamps alone are not recognized as a valid authentication for Medicaid/Medicare signature purposes and may result in payment denials.
- Illegible signature not over a typed/printed name

Supplying Accurate Diagnosis Information and Coding:

Section 4317 of the Balanced Budget Act of 1997 requires all ordering/referring providers to submit diagnosis information to the performing laboratory when ordering. The information must indicate medical necessity and best described the primary reason each lab test is being ordered. You may submit this information in either of the following formats – alpha/numeric ICD-10 code(s), or narrative description(s) of diagnosis, signs/symptoms, reason for testing, or indication. Any information submitted must also be legible documented (by test) in the patient’s medical record, and signed by the ordering physician.

Remember that providing evidence of medical necessity for each test ordered is a requirement for your participation with Medicaid, Medicare and other insurance plans. Failure to document medical necessity will cause the test to be denied coverage. Furthermore, using Z00.00 or other screening codes is not specific enough to assure insurance coverage for your patients. All ICD-10 codes submitted must reflect the highest specificity possible. Lenco cannot assign diagnosis information to any patient or test, but we are permitted to translate a physician-assigned narrative description into appropriate ICD-10 coding when possible.

ICD-10 codes are updated annually and new/updated codes become effective October 1st of each year. Please review them annually to ensure accurate code submission.
Notice Effective Date:
This notice represents coverage decisions and policies currently in effect. Notices will be sent as necessary throughout the year to update physicians when our policies or services change. Please read these notices carefully as they contain important information regarding the services you order for your patients. We hope you find this information useful in your practice. If you have any questions, please call your Lenco Sales/Service Representative or our Client Services Department at 718-232-1515, ext 9.

Best Regards,

Dr. Elena Agranovsky
Medical Director

Resources:
For provider compliance information, visit the Provider Compliance webpage (https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/ProviderCompliance.html).