

	The Johns Hopkins Hospital Pathology Department Compliance Policy and Procedure Manual	<i>Policy Number</i>	
		<i>Effective Date</i>	7/1/2005
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		<i>Supersedes</i>	5/31/00

### **Policy on Laboratory Billing**

The purpose of this policy is to help ensure that the billing of all laboratory tests/procedures by The Johns Hopkins Hospital to Medicare and other third party payers is in compliance with all applicable regulations. To this end, the following protocols will be followed:

1. No claim for laboratory testing will be submitted unless there is documentation showing that:
  - The test was ordered by a physician or other individual authorized to order tests;
  - The test was actually performed. If the laboratory cannot perform a test due to a laboratory accident, insufficient quantities or inappropriate specimen, the laboratory must not submit the claim. (note: if a charge for a lab test that cannot be performed has already been posted, a transaction to credit the charge will be processed);
  - The patient registration is accompanied by the attending physician name and applicable ICD-9 diagnosis code(s), or, if received with a narrative diagnosis, the diagnosis is translated to an accurate ICD-9 code;
  - Tests are submitted for reimbursement using the CPT-4 code that most accurately reflects the test performed.
2. The Laboratory will not use unlisted CPT codes to bill for non-reimbursable items including, but not limited to STAT charges, call-backs, specimen handling charges, calculated tests and repeat or confirmatory tests.
3. Procedures must not be “unbundled” if there is a comprehensive test code which describes the procedure performed.
4. Only AMA approved panels are offered. No custom panels will be billed.
5. The Laboratory will not bill for a calculated test when the calculation is derived from underlying laboratory test(s).
6. Standing orders are honored as long as they are valid, medically necessary, and monitored for appropriateness no less than annually.