

# Title: Clinical Laboratory Payment Methodology

**Issuance Date: May 25, 2023**

## Applicable Regulations, Guidelines, and AHS Policy:

### Federal statute or rule:

CMS Federal Register

### State Plan:

State Plan under Title XIX of Social Security Act

## Purpose:

Conduct an annual review to update reimbursement rates for the Clinical Laboratory fee schedule that is aligned with Agency budgetary appropriations. Updating fee schedules at regular intervals enables DVHA to be a reliable and predictable payer of health care services.

## Procedure:

- 1) DVHA Reimbursement (RU) initiates the annual Clinical Laboratory (Clin Lab) fee schedule update by completing the following tasks:
  - a) Reviews the CMS Clinical Laboratory Fee Schedule website to identify if there are any significant changes to the policies or methodologies used for Clinical Laboratory pricing.
  - b) Locate and review the quarter four Medicare file to determine if rates are available for VT Medicaid covered codes that previously did not have a Medicare rate.
  - c) Create rate model.
- 2) DVHA Director of Managed Care and Operations approves the rate model.
- 3) DVHA RU initiates the Policy, Budget, and Reimbursement (PBR) process outlining the fiscal impact associated with the change and any changes to the reimbursement methodologies or policies.

- 4) Once the PBR is approved, DVHA RU assists in drafting updates to the State Plan and the Global Commitment Register (GCR) notification which is used for provider review and feedback.
- 5) DVHA RU prepares the final rate update file and performs a quality assurance review to ensure the file is without error.
- 6) DVHA RU sends the final ClinLab fee schedule update to DVHA's fiscal agent implements the rate changes in the MMIS.
- 7) Once the rate updates have been entered in the MMIS, DVHA RU performs a quality assurance review to ensure the rate information in the MMIS is accurate.

### Revision History:

Date	Summary of Revisions
12/11/19	Draft
12/16/19	Review, imported to new format, director approved
2/14/22	No changes
3/10/2022	OMU reviewed, updated to ADA format, Appointing Authority.
05/24/2023	Updated Purpose and Procedure.

Table 1 Revision History