

 <p>HAWAII HEALTH SYSTEMS C O R P O R A T I O N <i>"Touching Lives Everyday"</i></p> <p>Policies and Procedures</p>	<p>Quality Through Compliance</p>	<p>Policy No.:</p> <p style="text-align: center;">FIN 0517</p>
		<p>Revision No.:</p> <p style="text-align: center;">N/A</p>
<p>Subject:</p> <p>Laboratory Handling Charges</p>	<p>Issued by:</p> <p>Corporate Compliance Committee</p>	<p>Effective Date:</p> <p>September 15, 2000</p>
	<p>Approved by:</p> <p>Thomas M. Driskill, Jr. President & CEO</p>	<p>Supersedes Policy:</p> <p style="text-align: center;">N/A</p>
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- I. **PURPOSE:** Carriers and fiscal intermediaries will not make payment for routine handling charges when a specimen is referred from one laboratory to another. The cost associated with preparing a specimen for transfer is considered an integral part of the testing process and such services are included in the total charge.
- II. **POLICY:** Specimen handling charges must not be billed to Medicare, Medicaid, or other federally funded programs.
- III. **PROCEDURE:** The following steps must be performed to ensure that handling charges are not billed to federally funded programs. It is the responsibility of the Chief Financial Office at each facility to ensure adherence to this procedure.

A. Implementation:

1. Laboratory personnel must review and ensure applicable revisions are made to the chargemaster and related Laboratory and Order Entry masterfiles/dictionaries as follows:
 - a. Assign CPT /HCPC codes as defined below and attach revenue code 300 in accordance with the UB-92 Manual for handling charges.
 - 1) **99000-** Handling and/or conveyance of specimen for transfer from the physician's office to a laboratory.
 - 2) **99001-** Handling and/or conveyance of specimen for transfer from the patient in other than a physician's office to a laboratory (distance may be indicated.)
 - 3) **99002-** Handling, conveyance, and/or any other service in connection with the implementation of an order involving devices (e.g., designing, fitting, packaging, handling, delivery, or mailing) when devices such as orthotics, protectives, prosthetics, are fabricated by an outside laboratory or shop, but which items have been designed, and are to be fitted and adjusted by the attending physician.

2. Business office personnel must establish edits in the electronic billing system which prevent billing handling charges to federally funded programs.
3. Laboratory and business office personnel must educate all staff associates responsible for ordering, charging, or billing laboratory services on the contents of this policy.
4. Business office personnel must identify intermediary interpretations, which vary from the interpretations in this policy. Specific intermediary documentation related to the variance(s) must be obtained and faxed to Corporate Compliance Office or Director of Reimbursement.

B. Daily:

1. Business office personnel must review electronic billing edit/error reports daily and perform the following:
 - a. Eliminate handling charges for all federally funded payors.
 - b. Modify number of units and related charges in the electronic billing vendor system to reflect the appropriate charge.
 - c. Modify number of units and related charges in the accounts receivable system to match the corrected claim in electronic billing system.

(Note: Utilize ancillary charge codes rather than correcting claims with adjustment codes. Corrections made subsequent to final bill should be processed through the patient accounting system late charge cycles.)