EXECUTIVE OFFICE OF
HEALTH & HUMAN
SERVICES
STATE OF RHODE ISLAND

RI Medicaid

Provider Reference Manual

Independent Clinical Laboratory

Revision History

Version	Date	Reason for Revisions	Completed by
1.0	November, 2013	New manual format	HP Provider Services
1.1	March, 2014	Remove CMS 1500 Interactive Instructions	HP Provider Services
1.2	April, 2014	NPI Enhancement Project	HP Provider Services
1.3	February, 2015	Update information for Healthcare Portal	HP Provider Services
1.4	November, 2015	Hewlett Packard separation	HPE Provider Services
1.5	January, 2016	Remove information now contained in General Guidelines	HPE Provider Services
1.6	March 2020	Update enrollment guidelines	DXC Technology, Inc.

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INTRODUCTION

The Rhode Island Executive Office of Health and Human Services (EOHHS), in conjunction with DXC Technology (DXC), developed provider manuals for all RI Medicaid Providers The purpose of this guide is to assist Medicaid providers with Medicaid policy, coverage information and claim reimbursement for this program. General information is found in the [General Guidelines Reference Manual](#). The DXC Customer Service Help Desk is also available to answer questions not covered in these manuals.

DXC Technology can be reached by calling:

- 1-401-784-8100 for local and long distance calls

- 1-800-964-6211 for in-state toll calls or border community calls

Provider Participation Guidelines

An independent clinical laboratory may be free-standing, operated by and within a hospital or physician's office if the laboratory otherwise meets the criteria of an independent clinical laboratory, is certified to participate in Medicare and is licensed to provide services in the State of Rhode Island. Also, to be reimbursed by the Medicaid Program, all providers performing laboratory tests must have a Clinical Laboratory Improvement Act (CLIA) certification or registration number issued by the Centers for Medicare and Medicaid (CMS).

To participate in the Medicaid Program, providers must enroll with RI Medicaid and received authorization before a claim can be submitted.

The public health laboratory in Rhode Island is a licensed provider of Medicaid Program services.

Any licensed provider may bill for laboratory procedures based on what their license permits under Rhode Island law.

For out-of-state clinical laboratories, because the samples are drawn in Rhode Island, RI Medicaid does not consider these lab services to be out-of-state.

Provider Enrollment

Providers who wish to enroll with RI Medicaid, should view the instructions in the [General Guidelines Reference Manual](#)

As a rule, RI Medicaid does not enroll out of state laboratories. The exceptions to this are noted in the [Provider Participation](#) section.

Recertification

Clinical Laboratories are annually recertified by the RI Department of Health (DOH). The license expiration date for Clinical Laboratories is June 30. Providers obtain license renewal through DOH. Out of state providers must forward a copy of the renewal documentation to DXC Technology. DXC should receive this information as soon as possible to prevent suspension from the program.

Reimbursement of Claims

Claims Billing Guidelines

It is important that the proper diagnosis code(s) be indicated on the claim form when billing for laboratory services. Inconsistency between a billed test and the diagnosis for which it is performed may cause the claim to deny. Instructions for completing the CMS 1500 claim form are located at Claims Processing.

Reimbursement Guidelines

The reimbursement rates for Clinical Laboratories are listed in the Fee Schedule. Clinical Laboratories cannot, by law, be paid more than the amount allowed in the published fee schedule or the amount reimbursed by Medicare, whichever is less.

Providers must bill the Medicaid Program at the same usual and customary rate as charged to the general public and not at the published fee schedule rate. Rates discounted to specific groups (such as Senior Citizens) must be billed at the same discounted rate to the Medicaid Program. Payments to providers will not exceed the maximum reimbursement rate of the Medicaid Program.

Covered and Non-Covered Services

Covered Services

The Medicaid Program covers the clinical laboratory services listed on the fee schedule. This list is reviewed and updated periodically. New procedures are added and old procedures removed based on criteria determining the validity and medical necessity of each procedure.

Individual and Panel Test Billing

Clinical laboratories should bill lab tests individually when the rate for individual tests is less than the rate for billing an equivalent panel; however, if the rate for a panel is less than the rate for the individual tests billed separately, then a panel should be billed. In summary, when billing the usual and customary charge for a panel or the tests billed individually, always bill the procedure with the lower reimbursement rate.

Reference Laboratory

The Medicaid Program will reimburse for testing performed within the laboratory billing for the service. Services are considered performed by the provider when either an employee, the individual provider, or reference laboratory performs the service. Payment is made to the billing laboratory and not the reference laboratory.

Non-Covered Services

Generally, procedures not listed in the fee schedule are not covered services.

Handling Fee

The Medicaid Program does not reimburse clinical laboratories separately for handling test samples. Handling fees are included in the reimbursement rate for the service billed.

Venipuncture

The Medicaid Program does not reimburse clinical laboratories separately for venipuncture. This procedure is included in the reimbursement rate for the service billed.

Interpretation

The interpretation (reading) of lab results can be billed by hospital providers only; therefore, clinical laboratories will not be reimbursed for services billed with a "26" modifier.

Appendix

Claims Preparation Instructions

Clinical Lab Services – CMS 1500 Claim Form

CMS1500 Claim Form Instructions

Error Status Codes

ESC Code List (English)

Explanation of Benefits (EOB) Codes

EOB Codes and Messages List (English)

EOB Codes and Messages List (Spanish)

Third Party Liability Carrier and Coverage Codes

Third Party Liability (TPL) Carrier Codes

Third Party Liability (TPL) Coverage Codes

Billing Quick Reference

Independent Laboratory Billing Quick Reference

Paper Claims
Paper claims for laboratory services must be submitted using the CMS-1500 (version 02/12) claim form.

Multiple Units
The total amount of units must be billed on one detail when billing for multiple units of a procedure code. Total units billed should not exceed the allowable daily units under Medicaid policy. ***Note: some procedures are subject to Claim Check and National Correct Coding Initiative guidelines and edits. For a list of affected codes, please see the EOHHS website.***

Multi-page Claims
Paper claims cannot be longer than 2 pages (12 details). If more than 12 details are needed, they must be submitted on separate claims. **If applicable, complete EOB copies from primary payers must be attached to each claim.**

Rhode Island Medicaid as Secondary Payer-Commercial Payers
When there is other insurance to consider, RI Medicaid will usually pay the difference between the total primary payment and the Medicaid allowable reimbursement. In most cases, you must send the primary EOB with your claim when submitting on paper. When billing electronically indicate yes to other insurance, enter Adjustment Codes, Group/Reason Codes and amounts…standard when billing RI Medicaid as the secondary payer. These codes should be entered as reported on the primary payers EOB. Secondary payment/non-payment is based on the total claim and is not calculated by procedure code. ***Note: A denial on a primary EOB indicating non-compliance with policy are considered invalid and Medicaid will not consider the claim for payment.***

RIte Share-Paper Submission
RI Medicaid will usually pay the patient responsibility (coinsurance and/or deductible) portion of claims for recipients enrolled in the Rite Share program. These should be billed using procedure code X0701. The amount billed should equal the total of the coinsurance and deductible. The primary EOB indicating the amount(s) must be submitted with the claim. ***Note: RI Medicaid no longer reimburses copays for Rite Share recipients. Providers are not allowed to collect the copays from recipients.***

RIte Share-Electronic Submission
Patient Responsibility (coinsurance and/or deductible) should be submitted using the actual procedure code for the services performed. Indicate yes to other insurance and enter Adjustment Codes, Group/Reason Codes as reported on the primary payers EOB. The PR codes will indicate the amount of the coinsurance and/or deductible. ***Note: RI Medicaid no longer***

reimburses copays for Rite Share recipients. Providers are not allowed to collect the copays from recipients.