



# Iowa Department of Human Services

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For Human Services use only:

**General Letter No. 8-AP-377**

Employees' Manual, Title 8  
Medicaid Appendix

May 9, 2014

**INDEPENDENT LABORATORY MANUAL TRANSMITTAL NO. 14-1**

ISSUED BY: Iowa Medicaid Enterprise

SUBJECT: **INDEPENDENT LABORATORY MANUAL**, Title page, revised; Table of Contents (page 1), new; Chapter III, *Provider-Specific Policies*, Title page, new; Table of Contents (page 1), new; and pages 1 and 2, new.

**Summary**

The **INDEPENDENT LABORATORY MANUAL** is revised to:

- ◆ Reformat and revise the chapters on coverage and limitations and billing and payment to reflect the implementation of the Iowa Medicaid Enterprise and the reorganization of the Medicaid "All Providers" manual chapters. This includes:
  - Removing Chapter E. Information on coverage and limitations is now included in Chapter III. *Provider-Specific Policies*.
  - Removing Chapter F. Billing and payment information and forms are now included in Chapter IV. *Billing Iowa Medicaid*.
- ◆ Align with current policies, procedures, and terminology.
- ◆ Ensure that current contact information is provided.
- ◆ Within the manual, the form samples have been removed from the numbered pages and connected to the on-line manual through hypertext links. This will make sure that the most recent version of the form is accessible.

**Date Effective**

Upon receipt.

## Material Superseded

This material replaces the entire Chapter E and Chapter F from the ***INDEPENDENT LABORATORY MANUAL***, which includes the following:

<u>Page</u>	<u>Date</u>
Title page	Undated
Contents (page 4)	July 1, 2003
<b>Chapter E</b>	
1	July 1, 2003
<b>Chapter F</b>	
1-3	May 1, 1998
4	July 1, 2003
5, 6	May 1, 1998
7, 8	July 1, 2003
9, 10 (HCFA-1500)	12/90
10a (470-3969)	7/03
11, 12	May 1, 1998
13 (Remittance Advice)	6/12/97
15-17	May 1, 1998
18	July 1, 2003
19 (470-3744)	10/02
21 (470-0040)	10/02

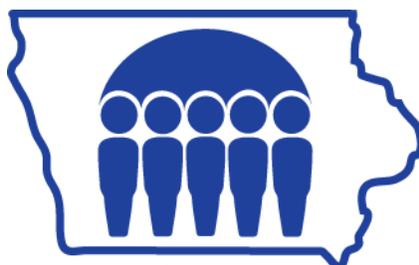
## Additional Information

The updated provider manual containing the revised pages can be found at:

[http://www.dhs.state.ia.us/policyanalysis/PolicyManualPages/Manual\\_Documents/Provman/lab.pdf](http://www.dhs.state.ia.us/policyanalysis/PolicyManualPages/Manual_Documents/Provman/lab.pdf)

If any portion of this manual is not clear, please contact the Iowa Medicaid Enterprise Provider Services Unit at 800-338-7909 or locally (in Des Moines) at 515-256-4609, or email at [imeproviderservices@dhs.state.ia.us](mailto:imeproviderservices@dhs.state.ia.us).

# **Independent Laboratory Provider Manual**



**Iowa Department  
of Human Services**



Iowa  
Department  
of Human  
Services

Provider

**Independent Laboratory**

Page

1

Date

May 1, 2014

## TABLE OF CONTENTS

### [Chapter I. General Program Policies](#)

### [Chapter II. Member Eligibility](#)

### [Chapter III. Provider-Specific Policies](#)

### [Chapter IV. Billing Iowa Medicaid](#)

### [Appendix](#)

# III. Provider-Specific Policies





Iowa  
Department  
of Human  
Services

Provider and Chapter

**Independent Laboratory**

Chapter III. Provider-Specific Policies

Page

1

Date

May 1, 2014

## TABLE OF CONTENTS

	<u>Page</u>
<b>CHAPTER III. PROVIDER-SPECIFIC POLICIES .....</b>	<b>1</b>
A. INDEPENDENT LABORATORIES ELIGIBLE TO PARTICIPATE .....	1
B. COVERAGE OF INDEPENDENT LABORATORY SERVICES .....	1
C. BASIS OF PAYMENT.....	1
D. PROCEDURE CODE AND NOMENCLATURE .....	1
E. BILLING POLICIES AND CLAIM FORM INSTRUCTIONS .....	2



## CHAPTER III. PROVIDER-SPECIFIC POLICIES

### A. INDEPENDENT LABORATORIES ELIGIBLE TO PARTICIPATE

An independent laboratory is eligible to participate in the program providing it is certified under Medicare.

### B. COVERAGE OF INDEPENDENT LABORATORY SERVICES

Payment is made for medically necessary laboratory services provided by independent laboratories certified to perform under Medicare.

Payment is made directly to the laboratory for services provided to a Medicaid member. No payment will be made to a physician for services provided by the laboratory. The laboratory must do its own billing to Medicaid.

### C. BASIS OF PAYMENT

Payment for services rendered by an independent laboratory is based on a fee schedule.

Click [here](#) to view the fee schedule for Independent Laboratory Services.

### D. PROCEDURE CODE AND NOMENCLATURE

Iowa uses the Healthcare Common Procedure Coding System (HCPCS) which is based on the most recent edition of Current Procedural Terminology (CPT). The five-position procedure code must be followed by one of the following modifiers, if applicable:

<b>Modifier</b>	<b>Description</b>
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EP	Service as the result of a Care for Kids (Early and Periodic Screening, Diagnosis, and Treatment) physical
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FP	Family planning service
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Claims submitted without a procedure code and appropriate ICD-9-CM diagnosis code will be denied.



Iowa  
Department  
of Human  
Services

Provider and Chapter

**Independent Laboratory**

Chapter III. Provider-Specific Policies

Page

2

Date

May 1, 2014

## E. BILLING POLICIES AND CLAIM FORM INSTRUCTIONS

Claims for Independent Laboratory providers are billed on federal form CMS-1500, *Health Insurance Claim Form*.

Click [here](#) to view a sample of the CMS-1500.

Click [here](#) to view billing instructions for the CMS-1500.

Refer to [Chapter IV. Billing Iowa Medicaid](#) for claim form instructions, all billing procedures, and a guide to reading the Iowa Medicaid Remittance Advice statement.

The Billing Manual can be located online at:

[http://www.dhs.state.ia.us/policyanalysis/PolicyManualPages/Manual\\_Documents/Provman/all-iv.pdf](http://www.dhs.state.ia.us/policyanalysis/PolicyManualPages/Manual_Documents/Provman/all-iv.pdf).