

January 1, 2025

ANNUAL NOTICE TO PHYSICIANS

As part of the Physicians Toxicology Laboratory (PTL) Medicare Compliance Plan, PTL annually reviews aspects of ordering tests for Medicare patients and billing for those tests. Please review this information and contact us at compliance@phystox.com or 1-800-240-2074 if you have any questions relating to this information.

CPT Codes

The CPT codes that are submitted to Centers for Medicare and Medicaid Services (CMS) must be valid at the time the service is provided. 2025 CPT codes take effect on January 1, 2025. All discontinued codes will be invalid after that date. PTL will be using 2025 CPT codes starting on January 1, 2025. PTL bills Medicare for tests using the CPT codes listed in our Practioners Manual and Fee Schedule.

The 2025 Medicare Clinical Laboratory Fee Schedule can be accessed at: https://www.cms.gov/medicare/medicare-fee-for-service-payment/clinicallabfeesched

Medicare Coverage of Laboratory Testing

When ordering laboratory tests that are billed to Medicare / Medicaid or other federally-funded programs, the following requirements may apply:

- Only tests that are medically necessary for the diagnosis or treatment of the patient should be ordered. <u>Medicare will pay for medication monitoring testing.</u> The diagnosis must be present for the procedure to be paid and there must be documentation within the patient's medical record. Information on NCD's (National coverage determination) and LCD's (Local coverage determination) may be obtained at the CMS and National Government Services web sites (<u>www.cms.hhs.gov</u> and <u>www.ugsmedicare.com</u>).
- 2. If there is reason to believe that Medicare will not pay for a test, the patient should be informed (for example, employment testing or non-FDA approved tests). The patient should sign an Advance Beneficiary Notice (ABN) to indicate that he or she is responsible for the cost of the test if Medicare denies payment. (If you need further information on ABN's, please let us know).
- 3. The ordering physician must provide an ICD-10 diagnosis code, not a narrative description, to the fifth digit, if applicable.
- 4. Medicare National Limitation Amounts for CPT codes are available through CMS or its intermediaries. Medicaid reimbursement will be equal to or less than the amount of Medicare reimbursement.

Reflex Policy

Presumptive screening is performed for certain drug classes/metabolites. If a presumptive screen is positive, definitive testing will be performed only if ordered by the physician. If the presumptive screen is negative, definitive testing will only be performed if ordered individually by the physician due to medical necessity.

Additional Information

<u>Clinical Consultant</u>: Appropriate test use may be discussed with the PTL lab director. Please email compliance@phystox.com or call 1-800-240-2074-Option 3 to be connected with our clinical consultant.

<u>Practitioners Manual</u>: Contains information about clinical tests offered by PTL. The Practioners Manual is provided at account setup, but a copy can be obtained by calling our customer service department at 1-800-240-2074-Option 3.