Compliance Guidelines for Phlebotomy, Billing and Marketing Personnel

General Job Responsibilities:

All phlebotomists have an obligation to follow the organization’s compliance guidelines. All phlebotomists are expected to be familiar with and to comply with BHS’s acceptable compliance guidelines and procedures.

Shared Employment Arrangements:

Generally, shared employment arrangements are not acceptable. Employees of a client may not be paid by the BHS laboratory to provide phlebotomy service at the facility.

Collecting Diagnosis Codes:

If required, a diagnosis code (an ICD-9 Code) must be received exclusively from the ordering physician or his/her designee. An ICD-9 code may be obtained from the patient, but must be followed by MD written notice. BHS cannot enter any substitute code through any manual or system default process. The ICD-9 code must be specific to that particular patient for that particular date of service. Under no circumstances should a BHS laboratory employee suggest a particular ICD-9 code to a client for a specific patient or test. A narrative diagnosis provided by the physician can be translated into an appropriate ICD-9 Code, but only by an employee who has been specifically trained by the health system. The Medical Records department of BHS has provided a list of acceptable codes to the staff for use in translating narrative diagnosis. BHS Labs provides a list of acceptable ICD-9 codes for NCD coverage for those tests requiring coding. BHS in no way is suggesting that the offices use the codes that provide coverage unless the diagnosis is appropriate for that patient and the test ordered. It is simply provided as a quick reference coverage advisor.

Recording and Documenting Diagnosis Codes:

ICD-9 codes received from the ordering physician must be documented in writing, preferably of the test request form or on the office face sheet. The documentation must be retained and it must be promptly available on request. All requisitions are scanned and originals saved. If the ICD-9 code is obtained from the physician or his/her designee by telephone, the call must be documented and the documentation must include (1) the BHS lab employees name, (2) the specific ICD-9 code or narrative diagnosis as given by the ordering physician or designee, (3) the name of the person who provided the diagnosis and (4) the date on which it was received.
Billing Computer System and/or Manual Default:

Third party carriers, including Medicare, Medicaid and private insurance, require certain demographic information for each patient to be included in each claim for payment. All require demographic information must originally come from the client or the patient. System or manual defaults cannot be used for the patient’s address, sex, age, date of birth, relationship to the insured, or the patient’s Medicare alpha suffix.

Laboratory Policy As It Pertains to the Physician’s Order:

It is BHS laboratory policy that (1) when a physician is ordering tests for which Medicare or Medicaid reimbursement is sought, he/she should only order those tests that he or she believes are medically necessary for each patient, (2) that the physician should only order individual tests or a less inclusive profile where not all the tests in the customized profile are medically necessary for an individual patient and (3) that the Office of Inspector General takes the position that a physician who orders medically unnecessary tests may be subject to civil penalties. All BHS Laboratory employees are expected and required to help ensure that the BHS laboratory meet this important requirement.

Adjustments and Write-Offs:

As a general rule, retroactive adjustments to client statements may only be made in cases of actual misunderstands between the client and the laboratory or as a result of an error on the part of the laboratory. Support for the adjustment should include written documentation of the misunderstanding or error.

Limited Coverage Tests and Advance Beneficiary Notices:

The Health Care Financing Administration (HCFA) has directed local Medicare carriers to identify tests for which the need exists to develop a policy to determine the medical necessity of the test and subsequent payment policy. If reimbursement is denied due to lack of information supporting medical necessity, Medicare rules prohibit the laboratory from subsequently billing the patient unless an Advance Beneficiary Notice (ABN) has been signed and dated prior to the service. The ABN (1) identifies the laboratory test, (2) gives the reason it is likely to be denied, (3) assures that a patient understands that he or she may be responsible for payment if the test is considered to be medically unnecessary by Medicare and (4) allows the beneficiary or patient to make an informed decision whether or not to receive the service and be financially responsible for the service.

Authorized Persons to Order and Receive Benefits:

Federal and state laws specify who may order and receive test results. As a general rule, only a physician or otherwise licensed provider (PA, NP) may order and receive a test result. Test results should never be released to the patient or anyone else who cannot provide the laboratory with appropriate medical and legal authorization. Patients may sign a disclosure statement for HIPAA compliance and receive their own results with
identification. Any questionable request for a test result that does not come from the ordering provider should be communicated to the laboratory supervisor or the corporate Compliance Officer for appropriate research and resolution.

**Reimbursement Requests and Record Keeping:**

All BHS laboratory test requests forms, records and documents should be fully and accurately completed.

**Giving or Receiving Gifts or Entertainment:**

BHS laboratory discourages the giving and receiving of gifts or entertainment. Giving a gift or providing entertainment to a client could appear to be an inducement. Receiving a gift or accepting entertainment from a client could create a conflict of interest. Modest gifts or entertainment may be given or received, subject to good judgment and the boundaries of reason and moderation. Nevertheless, any gifts or entertainment should first be discussed with the appropriate supervisor for approval. Any doubts should be brought to the attention of the Compliance Officer.

**Patient Information and Confidentiality:**

BHS laboratory is committed to protecting the confidentiality of patient medical information. Confidential information about any patient should never be disclosed to any unauthorized person, including other BHS laboratory employees.

**Ambiguous Test Orders and Verbal Test Orders:**

An “ambiguous test order” is any verbal or written order received by the BHS laboratory that do not provide sufficient information to determine clearly which test should be performed by the laboratory. When the BHS laboratory receives an ambiguous test order, the appropriate laboratory personnel must immediately contact the client and clarify the ambiguous order. Clarification must be documented, preferably on the test request for, or on another piece of paper attached to the test request form. Clarification must include (1) BHS employee name, (2) specific test to be performed exactly as stated by the ordering physician or their designee, (3) the name of the person who provided the clarification and (4) the date that the clarification was received.

**Professional Courtesy:**

The BHS laboratory does not offer professional courtesy testing to its clients. This decision is based on the federal government’s position that providing free laboratory testing to healthcare providers, their families, or their employees may be construed as an unlawful inducement. Such testing must be billed directly to the client, the patient, or the patient’s insurance carrier in conformance with normal billing practices under the client’s general commercial/direct bill account or third-party patient bill account.
**Confirmation of Standing Orders:**

For standing orders, the BHS laboratory must contact each client with standing orders on file to obtain written verification of the continued validity of all current standing orders. Consistent with applicable state law, this written confirmation must be performed at least yearly. The BHS laboratory discourages standing orders and requests that each test request come with a written order.

**Quantity Not Sufficient/Test Not Performed Review and Billing Prevention:**

The BHS laboratory prohibits billing for any test that is not performed, regardless of reason. If a test is not performed for any reason, such as breakage, insufficient specimen, etc., it is the responsibility of every BHS laboratory employee to ensure that this test is not billed. If any employee becomes aware of such billings, he or she must immediately bring this matter to the attention of the supervisor and or the Compliance Officer.

**Patient Charts:**

As a general rule, it is not permissible for a BHS laboratory phlebotomist to open and to review a patient’s chart. This could be a violation of the patient’s right to confidentiality and it may result in the phlebotomist performing duties that should be performed by the facility staff.

**Contracts with Clients:**

Contracts, bids and sale proposals are covered by Berkshire Health Systems contract review policies. Any written contracts with clients must be reviewed and approved in advance by legal counsel.

**Client Discounts:**

Negotiating client discounts is a common practice in the clinical laboratory industry. Generally, this practice is not considered to be an illegal inducement. Problems arise, however, if the amount of the discount appears to be tied to the number or value of Medicare or Medicaid testing a client may refer to the BHS laboratory. Discounts are based on competitive factors, such as pricing and discounts offered by other laboratories. Discounts are never based on Medicare or Medicaid volume.

**Loan of Laboratory Equipment:**

In connection with providing laboratory services, it may be permissible for BHS laboratory to loan to clients certain equipment. Such a loan restricts the use of the equipment to the collection, processing or storage of specimens to be sent to BHS laboratory for testing or the communication of test results to the client. Equipment must be used safely, and it must be promptly returned to the BHS laboratory if the client discontinues service.
Technical Assistance to “In-House” (POC) Testing:

Technical assistance is provided to any in-house (POC) testing; the BHS Nursing Service performs testing under the lab’s CLIA number.

Health Fairs:

The BHS laboratory may participate in health fairs where permitted by state law. All testing must be authorized in advance by a qualified medical practitioner, and test results must be forwarded to the ordering practitioner. Health care testing should not be offered free of charge or at special discounts except for bona fide charitable purposes. Participation in a health fair must be approved in advance if the testing services are to be provided free of charge or at a discount.

Computer Placements:

The BHS laboratory may provide computer software and, in some cases, hardware to transmit client test orders and results directly between a client’s computer system and the BHS laboratory computer system. The software and hardware must be restricted to the ordering, receiving and managing of the BHS laboratory test data. Safeguards must be built into each system to prevent its use for purposes other than BHS testing.

Medical Waste:

Laws regulating the disposal of medical waste are becoming more restrictive, making compliance more expensive. As a consequence, some clients request that laboratories pick up and dispose of infectious waste generated by them in their offices. Agreeing to do so may violate infectious waste disposal laws as well as anti-inducement laws. Any request to dispose of infectious waste for a client should be brought to the attention of the appropriate Compliance Officer. No employee should ever offer to transport or dispose of a client’s infectious waste or pay a waste disposal company to transport or dispose of a client’s infectious waste.

Courier Service:

The BHS laboratory provides courier service for the laboratory to our outside clients. Any changes in routes, specimen pickup, etc. are to be discussed with the department director.

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