



January 21, 2016

GUIDANCE/CLARIFICATION

**RE: Non-patient Hospital Outpatient Clinical Diagnostic Laboratory Test Payment and Billing
Supersedes guidance dated 06/30/2014.**

There are limited circumstances described below in which hospitals can separately bill for outpatient diagnostic laboratory tests. For those specific situations hospitals should use the UB04 claim form and for the bill type in field 4 use the **bill type 13X**. Use **modifier L1** to designate this is a non-patient outpatient serve. This will allow reimbursement for these services using the professional fee schedule in which RVU values are still available and allow bill.

Laboratory tests using the above bill type must be for a non-patient specimen billed in the following circumstances:

- (1) Non-patient laboratory specimen tests; non-patient continues to be defined as an injured worker that is neither an inpatient nor an outpatient of a hospital, but that has a specimen that is submitted for analysis to a hospital and the injured work is not physically present at the hospital;
- (2) When the hospital only provides laboratory tests to the injured worker (directly or under arrangement) and the injured worker does not also receive other hospital outpatient services during that same encounter; and
- (3) When the hospital provides a laboratory test (directly or under arrangement) during the same encounter as other hospital outpatient services that is clinically unrelated to the other hospital outpatient services, and the laboratory test is ordered by a different practitioner than the practitioner who ordered the other hospital outpatient services provided in the hospital outpatient setting.

If a provider has questions regarding billing, the provider's first contact should be to the insurer. If there are additional questions or issues that need to be addressed, please contact us at the Department of Labor and Industry.

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