

August, 2022

LAByrinth

It's August and Things are Heated Up with ADS RCM's News for Laboratories!

This Month's Message from Jim:

I'm presenting August's message in the context of having been in the LIS business for thirty five years prior to joining the ADS RCM team. Mine was actually a family affair with my father, Jim O'Neill, Sr., who developed one of the first LIS platforms in the mid 1970's utilizing an IBM mainframe and keypunch cards.

It's been my experience then and now in speaking with laboratorians, that once an interface goes live, **little - or even no - attention is paid by the laboratory** to ensure all of its billing charges crossover the interface.

So the question is, are you **auditing your LIS-to-billing system/RCM interface**? By not doing so weekly and monthly, so many laboratories are losing countless dollars.

And in today's environment with **reduced fee schedules**, more **stringent LCD** policies, and **insurance carriers requesting medical documentation** on many patients, it's **imperative that no charges are lost** in the billing process, especially since they're routinely sent via HL-7, API or CSV to the billing side of the laboratory...not via keypunch cards.

Most LIS vendors have streamlined the billing interface routine. Still, some LIS vendors **do not have the tools to validate/audit the interface** with the billing system or RCM company.

Another issue is how laboratories look for an economical interface solution that can be installed quickly such that once the LIS side is notified that a charge file has been received, they close the project ticket and move to the next interface.

In my personal experience in the LIS business, I'd get calls or emails typically 3 to 6 months after the interface went live that the laboratory is **missing charges**, or that **collections had gone down significantly**. The most common reason for that was **simply how the interface setup by the laboratory staff or LIS manager typically had issues** where either ordered tests/panels did not pass through the interface, or the wrong insurance carrier was being sent to the billing system/RCM company.

Look for next month's LAByrinth where I'll pick up on this theme and provide some conclusive solutions!



Jim O'Neill

Sales Manager, Laboratory Services

CLIA Laboratories and Updated Proficiency Testing Requirements

A final rule updating 1992 proficiency testing and referral requirements under the Clinical Laboratory Improvement Amendments (CLIA) was published by CMS and the CDC. The final rule:



- ✓ affects the nearly 36,000 CLIA-certified laboratories – including hospital laboratories – that are enrolled in CMS-approved proficiency testing programs
- ✓ addresses and updates substances or constituents for which the laboratory conducts testing (aka, analytes) and newer technologies
- ✓ establishes regulations as to laboratories that perform moderate- and high- complexity testing, and who voluntarily participate in proficiency testing for waived tests (for example, simple tests such as urine pregnancy tests) are subject to compliance

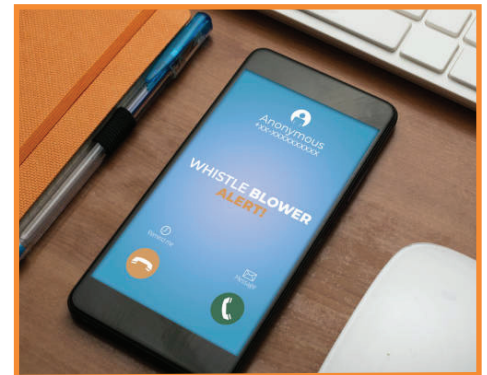
CMS stated in the final rule, and in a related Fact Sheet, that this effort will align the regulations with the CLIA statute, which does not exclude waived tests from the ban on improper proficiency testing referral.

Click [2022-14513.pdf](#) for 49 pages of captivating Federal Register detail on this final rule.

Theranos Whistleblowers Present at AACC

June's LAByrinth had [an article on laboratory fraud](#). On the heels of that, two Theranos whistleblowers participated in a discussion at the AACC conference at the end of July. Both spoke about how they worked to bring Theranos' fraudulent activities to light. Lessons in laboratory ethics and accountability were the key takeaways.

Click here [Theranos Whistleblowers and Experts on Artificial Intelligence and Genomic Sequencing Draw Nearly 17,000 Attendees to the 2022 AACC Annual Scientific Meeting | AACC.org](#) for the AACC press release.



As a postscript, both the current and former Theranos presidents (the former was also the founder) were convicted by juries on 12 and 4 counts, respectively, of wire fraud and conspiracy. Both face significant prison time with a maximum of 20 years in prison and a \$250,000 fine for each count. Restitution might also be called for. Any online search will produce the details.

Rising Laboratory Costs: Exactly what you don't need now

The fact that laboratory costs have to be (1) better managed, (2) reduced, and perhaps (3) even totally eliminated if possible is not something you have to be told. **You already know it.** The question is, how do you actually **do** it?

Some tips on that come from Medical Lab Management as follows:

- ✓ **Multi-year service agreements:** you'll want to review your current equipment, especially any with contracts set to renew **in the next 90 days**, and attempt to secure **multi-year agreements** which would lock-in those costs for the life of that agreement.

- ✓ **Disposables and distributors:** your laboratory no doubt uses an array of **disposable items**, perhaps from another array of **suppliers**. The obvious question is, are there less expensive alternatives without degrading the items' efficacy? Would it be more **economical** (and maybe more **efficient**) to identify a **single source** for your disposables and negotiate better pricing for all of it vs. trying to do the same with individual suppliers of their particular disposable?

If different departments use varying but similar disposables (let's say one uses **individually** packaged pipettes and other uses **bulk** packaged pipettes which are generally less expensive), can the first department **also use the pipettes that are bulk packaged**? If so, it stands to reason ordering can be **consolidated** and costs on pipettes would **have to drop**.



- ✓ **When multiple vendors are needed for different** products or diagnostic equipment, ensure you're doing due diligence on cost and **service agreements** (see first bullet above) for each prospective vendor.

In some cases, you might have to work with a **secondary supplier** (such as a value added reseller or VAR) vs. dealing directly with the manufacturer. Just know that **VAR pricing and terms** for the exact same piece of equipment can be **significantly different**.

- ✓ **Glass vs. Plastics:** In a famous scene from The Graduate, Dustin Hoffman's character (Ben) is advised to "get into plastics." That was in 1967 and it holds true to this very day for laboratories.

Depending on the vendor you use for blood cultures, you might be able to **switch from glass tubes and get into plastics**. Plastic tubes are lighter which will save per-pound charges on medical waste. And, they can be disposed of as bagged or boxed medical waste without needing the hard-sided containers required of glass tubes.

- ✓ **Needles** may be a little tricky to do anything about, but if straight needle venipuncture can be done vs. butterfly venipuncture, money will be saved since the latter is roughly three times the cost of the former.

The "sticking point" is actually in having personnel who can administer straight needles. Training may be needed. But if you calculate the potential cost savings, it could be worth it.

- ✓ **Reference pricing reduction requests:** From the "There's no Harm in Asking" Department, see if you can get **reduced pricing from your referral laboratory** on a certain test. Of course, you'll want to negotiate the best possible pricing when engaging with a new referral laboratory.

You definitely have possibilities in terms of trying to reduce your laboratory's costs, some of which can also create efficiencies. The entire article can be seen by visiting www.medlabmag.com.

Concierge Laboratory Services

Concierge medicine has been around for probably 20 years going back to its true pioneers. Laboratories are also getting into the concierge game, spurred on by COVID-19.

As reported in Today's Clinical Lab, new "boutique" labs cater to people who want fast test results and are willing to pay for a premium service.

Between 2020 and 2021, the number of clinical laboratories in the United States certified under the Clinical Laboratory Improvement Amendments (CLIA) increased by about 13 percent, from 286,396 to 323,086, according to data from the Centers for Medicare and Medicaid Services (CMS). Historically, annual growth of

clinical laboratories in the US is closer to 2 percent to 3 percent per year. It's thought that COVID-19 was the force behind such an increase.

Even more, boutique clinical laboratories which offer self-pay diagnostic testing may be the next disruptor, where consumers can order diagnostic tests directly, without physician involvement. This direct to consumer (DTC) testing premise, aka direct-access testing and consumer-directed testing, is currently allowed in 37 states and the District of Columbia. It is not typically reimbursed by insurance companies or other payers.

Some boutique labs will provide receipts with CPT codes so that patients might be reimbursed by their insurance carrier, although that is never guaranteed.

The entire article can be seen [here](#).

Late Breaking News: 100% Accurate COVID-19 Test Detects and Identifies Specific Variants



Researchers at University of California, Irvine developed a COVID-19 test that detects and identifies specific SARS-CoV-2 variants with **100% accuracy**.

In a study, the RNA-encoded viral nucleic acid analytic reporter correctly determined the alpha, gamma, delta, epsilon and omicron genetic mutations in nasopharyngeal clinical samples. This ability could enable **healthcare providers to make personalized treatment decisions** for improved patient care.

The RNA from 34 clinical samples was isolated from the nasopharyngeal swabs, and the correct SARS-CoV-2 variant was identified in **every case**.

Click [here](#) for the UCI press release:

MedicsRCM for your Laboratory

With **revenue, reimbursements, and staffing issues** continuing to plague laboratories – all or some of which could very well include yours – assistance may be needed.

- ✓ MedicsRCM will **guarantee to increase your revenue in 90 days** over whatever service or in-house system you're currently using.
- ✓ Our **+300 person outsourced workforce** of billing, claims, EDI, coding, and workflow professionals will help consolidate your staffing issues.
- ✓ The platform we use, MedicsPremier ADS, is **included at no additional cost** meaning your current technology costs (support, cloud fees, etc.) can also be dramatically reduced if not completely eliminated.



And you'd have the system's **rules engine-driven, AI-architected** capabilities working for you on features such as **out-of-network alerts** and the **patient responsibility estimator** along with options such as **Insurance Discovery** when coverage information is completely or partially missing.

- ✓ With **100% transparent**, on-demand access to all of your data, you'll be able to see how we're doing on revenue, **preventing denials**, claim tracking, and more including compiling financial and operational **KPIs, dashboards, reports, and analytics** to the extent you want, in addition to those **we regularly produce and review with you**.

Alternatively, the MedicsPremier system is available from ADS if you'd still prefer to use **in-house automation** either on our cloud or your server. MedicsRCM and MedicsPremier can be interfaced with virtually any LIS/LIMS, hospital, and EHR. Contact us at **844-599-6881** or email **rcminfo@adsc.com** for more about MedicsRCM's services for your laboratory, or MedicsPremier as an in-laboratory solution. Visit us at November's **AMP Conference in Phoenix**, booth **1003**!



Monkey Pox Late Breaking News

On August 4, 2022, **HHS declared a public health emergency (PHE)** in response to the current monkey pox outbreak. The declaration enables public health officials to help meet the demands of this outbreak.

See <https://www.nila-usa.org/NewsBot.asp?MODE=VIEW&ID=807> for more on preparation and collection of specimens, laboratory procedures and biosafety guidelines, and information for laboratory personnel.

Also note the AMA has created new CPT® codes that simplify the reporting of currently available orthopoxvirus and monkeypox testing and immunizations. Code 87593 was added to report orthopox detection by nucleic acid using amplified probe technique. More information ***is available here***.

Contact us at **844-599-6881** or email **rcminfo@adsc.com** for more information on how we can help your laboratory become more profitable and productive.

And if you're attending the **November AMP conference** in Phoenix, be sure to stop by to **see us at our booth, number 1003**!

Have a safe and enjoyable rest of the summer!

