January, 2023

LAByrinth

Industry, Billing, and Operational News for Clinical, Toxicology, Pathology, Genetic, Molecular, and Esoteric Laboratories

From ADS RCM...a leading provider of outsourced revenue cycle management, billing, financial ,operational, and workflow services

This Month's Message from Jim:

With best wishes for a healthy, happy, and profitable 2023, our lead article is about prior authorizations (PAs) and the how critical - yet time consuming - they are for laboratories.

Your laboratory will suffer when PAs are needed but not obtained for tests which are often expensive and complicated.

PAs can be automated without requiring frustrating hours and hours of staff time in getting them. Our PA option will eliminate the drudgery and the financial risk in not obtaining PAs when they're needed.

Jim O'Neill
Sales Manager, Laboratory Services

You're urged to contact us if you'd like more information on our PA option along with our MedicsRCM outsourced services for laboratories, or with the MedicsPremier platform if in-laboratory automation is preferred.

Laboratories and Prior Authorizations

Prior authorizations (PAs) are often an additional burden to healthcare providers and patients alike, especially regarding diagnostic testing.

To cut or cap costs, many payers have instituted a PA process in which healthcare providers must submit a suggested medicine (prescription) or procedure/test to the payer for approval in advance. If the request is denied, it can be appealed, or the provider must find an alternative therapy. While the intent of PAs is to reduce costs without negatively affecting patient care, there are some unintended consequences.

Not all PA processes are created equal; there is no standardized method of attaching clinical information to a PA, and PAs often require additional training and staff on the provider's part.

In a recent letter to the U.S. Department of Health and Human Services (HHS), **the American Hospital Association (AHA) supported** "useable, scalable and efficient solutions" in rulemaking to improve the electronic PA process. There is an immediate need for novel solutions to improve efficiency and patient care, such as implementing end-to-end automation integrated into EHRs for real-time data generation.

The AHA recommends a turnaround time of 24 hours for urgent requests and 72 hours for standard requests, which would be an improvement to the current timeline, which may take weeks for an answer. In diagnostic testing, those days can mean the difference between fighting advanced stages of cancer, identifying in-utero infant health risks, and the correct medication choices.

The American Medical Association, AHA, and other advocacy groups are calling for reform, but in the meantime, PAs will likely continue among health insurance companies. Therefore, providers, professional medical societies, the private sector, and the federal government are strategizing on making it more efficient.

Many solutions have been considered, including automation, integration into the electronic health record, and utilizing third-party systems. Laboratories should consider piloting solutions in a real-world environment so technological and process gaps can be revealed and fixed on the spot.

Third-party companies can streamline the PA process for healthcare providers and laboratories. Some of these external PA companies may have provider-based and laboratory-based programs that allow the medical and laboratory staff to be more efficient. Factors that affect the outcomes include the ability to determine a patient's health plan coverage and a patient's test cost responsibility. PA companies often have proprietary portals that automate the process, thus improving patient access to medically-necessary testing.

Working with a knowledgeable vendor adept in laboratory PAs will relieve the administrative burden and increase efficiency and patient access to testing. Moreover, patient care can be improved, and all parties involved will experience a much more positive PA outcome.

Contributed by **Careviso** whose seeQer platform uses multiple inputs including eligibility, pricing, and prior authorization requirements, all built off a dataset of standard medical codes seamlessly integrated in a single sign-on, and which provides access to printable and digital patient reports.

COVID-19 Home Test to Treat

As if laboratory testing for COVID-19 wasn't suffering enough through home tests, now providers may as well. A new program called "Home Test to Treat" (HTT) was launched by the National Institutes of Health, in collaboration with the Administration for Strategic Preparedness and Response (ASPR) at the U.S. Department of Health and Human Services.

Apart from people simply performing at-home rapid testing, HTT will also include telehealth sessions and actual at-home treatments.

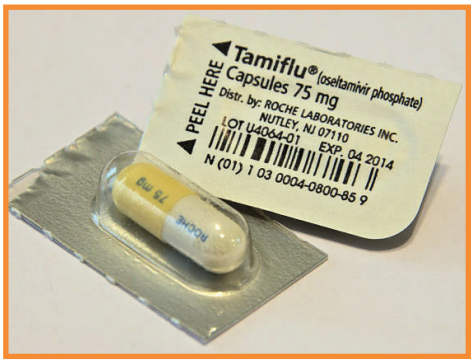
HTT will be piloted in communities nationally. Berks County, PA, will be among the first, with up to 8,000 eligible residents expected to participate by some point later this month.

Information will be gathered from participants to identify best practices and make improvements to the HTT model that will be used to expand the program on a larger scale. In that way, additional communities across the country will be selected to participate based on the level of community need, access to healthcare treatment, expected COVID-19 infection rates, and socio-economic factors.

The goal is that by collaborating with local health departments, HTT will eventually be offered to approximately 100,000 people across the US in the coming year.

Click here for the full NIH release and details.

Tamiflu Access Increased by HHS through the Strategic National Stockpile



The U.S. Department of Health and Human Services (HHS), in conjunction with the Administration for Strategic Preparedness and Response (ASPR), announced that an additional supply of Tamiflu will be made available to jurisdictions due to an increased demand for the antiviral during this flu season, including through the Strategic National Stockpile (SNS).

ASPR Regional Teams will work with states, territories, and tribes to evaluate any requests for Tamiflu through the SNS to ensure those jurisdictions receive the assistance they need without affecting the nation's preparedness for a future pandemic flu. **Click here for the HHS release.**

Temporary 2023 PAMA Cuts to Laboratory Test Rates Averted by Congress

In nearly last-minute December legislation, Congress suspended the next round of price cuts to the Medicare Part B Clinical Laboratory Fee Schedule (CLFS) scheduled to take effect on January 1. This is excellent news for laboratories.

The suspension came in the form of **two paragraphs** blended into a 4,000- page year-end government spending bill directing federal health officials to suspend the cuts called for under the Protecting Access to Medicare Act (PAMA). The spending bill was signed into law on with minutes to spare on December 29 after the House of Representatives and the Senate passed it the week before. But as noted, and similar to what happened at the end of 2021, the reprieve is only temporary. It falls short of the PAMA-related reforms about which laboratorians had been lobbying. So, laboratories will need more DC activity in 2023 to avert additional PAMA cuts in the coming years.

Reprieve Details: If not for those two golden paragraphs, laboratories would've suffered a 15% cut in Medicare payments for approximately 800 clinical lab tests for 2023. The next deadline for what we all trust will be similar Congressional action is by midnight, December 31, 2023. So, there have been no permanent fixes, but at least laboratories have been spared for 2023.

An additional bonus is that PAMA-related reporting requirements for laboratories were suspended in 2023, also for one year. Otherwise, CMS would've required laboratories to report the prices paid by private health plans, which they (CMS) would've used to set prices for the clinical laboratory fee schedule (CLFS).

Why is that a bonus? Because precisely that type of previously-reported data resulted in Medicare paying labs 10% less for tests in CYs 2018, 2019, and 2020! Note that some data collection elements resulted in a **lawsuit** by the American Clinical Laboratory Association.

But what happened to 2021 and 2022? Congress delayed scheduled PAMA cuts (1) due to the pandemic and (2) the elevated awareness about the importance of clinical laboratories in combatting COVID-19.

Added side note: Reflecting on SALSA Through a 2022 effort by bipartisan lawmakers, a proposed bill, the Saving Access to Laboratory Services Act (SALSA), was created to overhaul how PAMA dealt with laboratory test payments and data reporting, as described above.

Efforts to include SALSA in the aforementioned year-end spending bill were unsuccessful. That was a good thing since the Congressional Budget Office estimated that SALSA would've cost $6 billion over ten years vs. a one-year delay to PAMA cuts, saving $730 million over those same years.

Artificial Intelligence (AI) and Machine Learning (ML) in Laboratory Automation: Remembering and Knowing so your Staff doesn't have to

Presumably, you have automation in place that does what the very essence of automation should do, namely (1) be self-running, (2) be self-"thinking," and (2) be self-sufficient. If you have a bunch of humans hunkered over your automation making sure it's doing what it's supposed to do, something's wrong.

You want the exact opposite. Your automation should be suggesting (telling) you what's happening, not happening, and should be happening. There may be tens of thousands of possibilities here between:

- ✓ your diagnostics, storage, and inventory automation, and
- ✓ your revenue cycle management (RCM), financial, operations, analytics, and workflow automation

Our expertise happens to be on the second point, so we'll offer some AI/ML insights into those areas.

For RCM, you'll want your outsourced RCM service or your in-laboratory AI/ML automation (which should be rules engine-driven as well) to:

- ✓ eliminate the nightmare of duplicate records "on the fly" based on multiple parameters
- ✓ scrub claims or suggest coding edits for the best possible reimbursement per payer, ensuring maximized revenue

- ✓ generate proactive, pre-submission alerts on laboratory claims likely to be denied per payer with suggestions on how to best recode, avoiding avoidable denials
- ✓ display pre-submission alerts when laboratory claims should be bundled per NCCI standards, avoiding those denials as well
- ✓ issue automated out-of-network alerts in advance of performing tests
- ✓ perform multiple pre-test insurance eligibility verifications
- ✓ have an automated utility to ascertain if prior authorizations are needed, and if so, to get them
- ✓ display close estimates of what patients will owe after their insurance(s) reimburse
- ✓ support insurance discovery to find coverage for patients with no insurance information
- ✓ track submitted claims in real-time to ensure they're being processed, with alerts on claims that should've been paid by now per each payer's typical turnaround time
- ✓ automatically and instantly reconcile EOBs as reimbursements are received
- ✓ automatically submit to secondary and tertiary payers
- ✓ automatically generate balance-due texts through which patients can pay and/or produce paper statements, both as balances become the patient's responsibility
- ✓ automatically compile the personalized financial and operational analytics, KPIs, and reports needed by user-defined time intervals without requiring teams of in-laboratory personnel to do the same
- ✓ display automated workflow and productivity alerts, ensuring your laboratory is operating at peak efficiency

These types of AI/ML and rules engine routines result in a highly automated, hands-off environment with virtually no human intervention needed on the part of the laboratory.

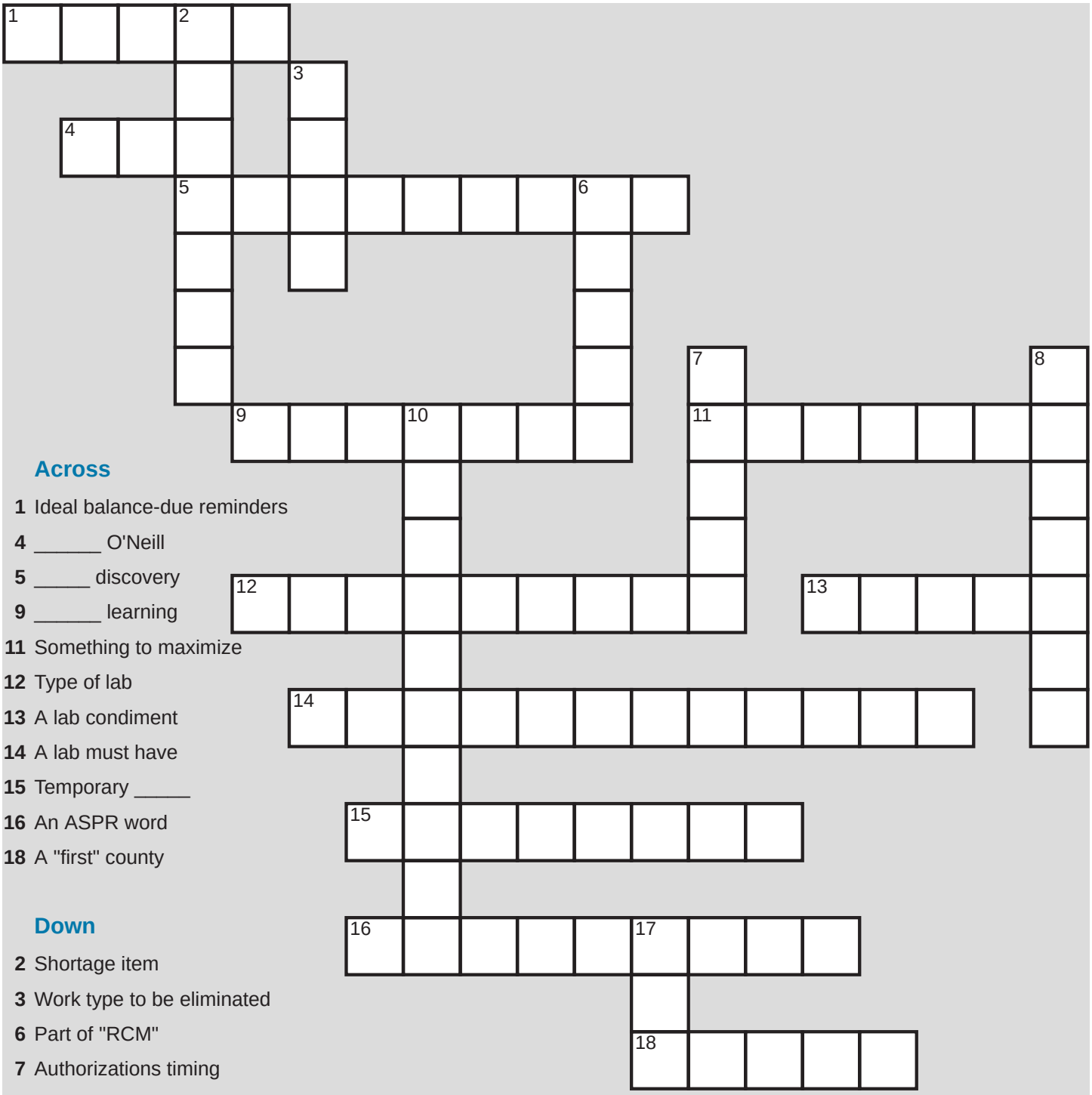
ADS RCM with its MedicsRCM outsourced services and workforce, or the MedicsPremier platform from ADS if in-laboratory automation is preferred, both support AI/ML and rules engine architecture as described. They keep our clients' laboratories "humming" while driving optimized revenue and efficiency.

Contact us for a detailed overview of how our systems and services
can help propel your laboratory as well.

Laboratorian's Delight:

Now that you've read this month's LAByrinth, you should be able to solve the crossword. If not, you may have to re-read! (see next page)

Next: the February edition which you'll have to read quickly since there will only be 28 days. BTW, why does February have 28 days and every four years, 29? We can thank Numa Pompilius, a Roman king who added January and February to the existing calendar which only had ten months at the time. But then, he had an aversion to even numbers. It's a whole mashup which Britannica explains **here**.



Across

1 Ideal balance-due reminders
4 _____ O'Neill
5 _____ discovery
9 _____ learning
11 Something to maximize
12 Type of lab
13 A lab condiment
14 A lab must have
15 Temporary _____
16 An ASPR word
18 A "first" county

Down

2 Shortage item
3 Work type to be eliminated
6 Part of "RCM"
7 Authorizations timing
8 Things to avoid
10 New COVID approach
17 Reconcile this

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