Dear AEL Client,

Medical necessity practices are well established for laboratory services. The Centers for Medicare and Medicaid services (CMS) and many third party payers require medical diagnosis to justify performing the laboratory tests. In order to facilitate obtaining effective diagnostic information AEL is providing you a copy of the National Coverage Decisions (NCDs), as well as the Local Coverage Determinations for Tennessee that specify covered diagnosis for specific tests.

If you order a test that has a specific NCD or LCD, Please verify the diagnosis code for that test to ensure that the diagnosis information you are providing to AEL meets medical necessity criteria determined by CMS. If the patient’s diagnosis does not meet medical necessity criteria determined by CMS, you should notify the patient that Medicare or Medicaid is not likely to pay for the services and request them to sign a waiver of responsibility, known as an Advanced Beneficiary Notice (ABN). This waiver serves as a notice to the patient that if CMS does not cover the services due to frequency or medical necessity that the patient is responsible for the charges for those lab tests. This notice must be given to the patient prior to the performing of tests and the patient then has the option of refusing said tests. If the patient refuses to the sign the ABN, thus choosing not to take responsibility, then the physician must weigh the necessity for the test.

Due to the enormous amount of change with the introduction to ICD-10, the NCD/LCD Manual presented by AEL is now available on the thumb drive that is presented with this manual. This manual is provided to be a ‘quick reference’ to aid clinicians in determining codes which establish medical necessity for each of the laboratory tests covered by an NCD or LCD.

The Medical Coverage Database (MCD) at http://www.cms.gov/medicare-coverage-database contains all NCDs and LCDs, local policy articles and proposed NCD decisions.

We provide this information to assist you in making the best possible decisions for your patient. As always, we value your trust in American Esoteric Laboratories and appreciate your business.

Sincerely,

Jess Evans, PhD DABCC
Vice President Technical Operations
American Esoteric Laboratories

Disclaimer:

Please note: ICD-10 codes may be frequently updated or revised. This may render some codes obsolete. The ICD-10 codes listed in this manual are meant to be a guideline for the selection or verification of a diagnosis and may not always be the most specific code available. It is the ordering practitioner’s responsibility to choose the appropriate, active diagnosis code that best meets the condition of the patient. Documentation of this diagnosis information and medical necessity for the appropriate date of service must be documented in the patient’s medical records.