

CSP Continues to Fight LA Care Health Plan on PCCP Payment Policy

On October 1st, 2021, L.A. Care Health Plan issued notice that they would be re-evaluating source requirements for split-billed codes, which resulted in them no longer recognizing or paying for the professional component of clinical pathology (PCCP). Specifically, codes 80048 (Basic Metabolic Panel), 80100 (Qualitative Drug Screening), 85025 (Complete Blood Count) and many others, were identified as among those that would no longer be eligible for split billing.

Bob Achermann, the Executive Director of the California Society of Pathologists (CSP), immediately initiated efforts to confront this refusal to pay pathologists for services rendered and sought to overturn this policy. APS published a [white paper in March of 2022](#) summarizing the state of the conflict at the time.

Since then, numerous developments have taken place. CSP has made multiple attempts to resolve the issue with L.A. Care directly by illustrating the unfair burden this places on pathologists who are not being paid for the services they provide patients. They have also reached out to the Department of Health Care Services (DHCS) for additional support in enforcing payment for services rendered.

Unfortunately, the DHCS has opted to stay out of the dispute, claiming that the concerns expressed by CSP are governed by contractual arrangements between L.A. Care and the hospitals and pathologists who provide the professional component services not being paid. It is unclear what contracts DHCS is referring to in this context, but this appears to be a non-starter for resolving the dispute.

After discussing their concerns with outside legal counsel, CSP has come to the conclusion that legal action may be necessary to force L.A. Care to pay for the professional component services they refuse to recognize. This is more difficult than it sounds, however, as L.A. Care is a public plan, and by law a provider cannot sue a public plan.

Achermann and CSP have established a pathology defense fund developed for the purpose of advocating for the fair treatment and payment of pathologists as a way forward in this battle. Ultimately, a pathology group — or multiple groups — will likely need to find a way to take legal action against L.A. Care to compel payment for these unpaid services.

Importantly, this is not an isolated issue. Similar disputes have arisen before with other HMOs in other states, such as Illinois. Pathologists should be aware of this ongoing conflict and do what they can to make it difficult for such dishonest practices to go unchecked. Ultimately, if the savings outweigh the cost of pursuing this course of action, HMOs will continue to test the waters to see what they can avoid paying.

For more information on how you can contribute to the efforts to protect pathologists from unfair payment policies like this, or to simply find out what you can do to protect yourselves from similar issues, please contact your Practice Manager. APS will continue to monitor the developments on this dispute and advocate for our pathology group clients.