

So Far No Response from United Healthcare to Industry Opposition to its Upcoming Laboratory Test Registration Requirement

Our recent white paper, <u>United Healthcare Implementing New Compliance Requirements for the Laboratory Test</u> <u>Registration Protocol</u> describes United Healthcare's (UHC) planned policy to require in-network freestanding and outpatient laboratories to submit unique test codes for each of their laboratory tests come **January 1, 2021**. According to the policy, each test code submitted on a claim must match a corresponding laboratory test that has been registered with UHC by December 1, 2020. Failure to include these unique codes on your UHC Commercial, Medicare Advantage and Community Plan network claims will result in denials.

In its <u>August 14, 2020, letter to UHC</u>, the **American Hospital Association** (AHA) voiced its concern with this new policy, in particular citing its potential to negatively impact accessibility of care at the same time resulting in unnecessary burden to both patients and providers as they continue to navigate the COVID-19 pandemic.

The AHA letter proposes three important points:

- The policy represents programmatic, resource and logistical burdens that cannot reasonably be met given the short timeframe UHC provided in which to incorporate all necessary changes
- The policy bucks HIPAA standards that require standardized code sets for coding and billing. The identified code standard is CPT
- Also bumping-up against HIPAA standards requiring standardized transaction sets, the policy directs these codes to be incorporated into existing fields on electronic claims that are not designated for transacting this information

UHC has not stated its rationale for implementing the policy to which the AHA comments, "As a result of insufficient explanation of its value and inadequate time to prepare, this policy is setting up laboratories and hospitals – which are already strained by the COVID-19 pandemic – to be unable to comply."

The **College of American Pathologists** (CAP) also weighed-in on this issue in its <u>correspondence to UHC</u> dated August 26, 2020, citing its contention that the requirement for this separate and additional test information doesn't justify the added burden of test registration, "nor the deviation from consistent, uniform, national coding practice currently provided by the HIPAA-compliant and industry standard CPT code set. We are increasingly concerned about insurer imposed non-standard coding practices and the negative consequences that result for the pathologists and laboratories trying to implement conflicting requirements on the ground."

A slew of other entities across the healthcare industry have voiced opposition to this requirement including those providing billing, compliance, consulting and revenue cycle management services – many advising providers and hospitals to file formal objections with UHC and others recommending going the additional step of entering a complaint in the HIPAA Administrative Simplification Enforcement and Testing <u>Tool</u>.

So far, no response has been published by UHC. In the meantime, APS continues working to accommodate the required changes and will advise of relevant updates to this topic. Please feel free to reach out to your APS Practice Manager with any questions.