



# NETWORK *Notification*

**Notice Date:** June 4, 2021  
**To:** Ohio Medicaid Laboratory Service Providers (Referring and Servicing)  
**From:** CareSource  
**Subject:** Updates to Assist with Avalon Laboratory Benefit Management Transition  
**Effective Date:** July 1, 2021

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## Summary

In our May 13, 2021, network notification [CareSource Partnership with Avalon Healthcare for Laboratory Benefit Management](#), we announced our partnership with Avalon Healthcare Solutions (Avalon) on a new laboratory benefit management program for the provision of routine testing management (RTM) services. This partnership allows CareSource to achieve consistent application of laboratory policies and automated review of laboratory claims based on industry best practice while also remaining provider- and member-friendly.

Laboratory services reported on claims will be reviewed for adherence and consistency with CareSource's laboratory policies and guidelines, as well as industry standardized rules. This review includes, but is not limited to, evaluation of services for being experimental and/or investigative, as well as clinical appropriateness based upon patient demographic information. Additionally, codes reporting multiple units billed will be reviewed for appropriateness to code-specific unit allowances under CareSource laboratory policies and guidelines. Providers will continue to submit claims for laboratory services to CareSource, and CareSource will continue to adjudicate the applicable claims for payment.

Providers of laboratory services (both referring and servicing) will need to be aware of this new partnership as there will be important changes to new and existing medical policies, guidelines and consistent reviews of laboratory services and related claims.

## Impact

CareSource is updating the policies tied to RTM services. These policies will establish the standards by which claims for laboratory services are reviewed for payment. In an effort to provide education and build familiarity with these changes, providers will be given access to the policies and a tool to simulate claims submission with the new requirements. The effective date of these policy changes will be **July 1, 2021**, for Ohio Medicaid providers.

## Laboratory Policy Changes

CareSource has existing laboratory policies that are currently available on **CareSource.com**. The partnership with Avalon will enhance, or in many instances, replace the existing policies.

Going forward, CareSource will apply an automated policy review and enforcement to claims reporting laboratory services performed in office, hospital outpatient and independent laboratory places of service. This automated policy enforcement solution will occur post-service, after the test/procedure

has been performed, coded and billed for, but during the adjudication of the claim(s) and prior to payment. Providers may access the new policies beginning June 1, 2021, by visiting **CareSource.com** > Providers > Education > [Laboratory](#).

#### Trial Claim Advice Tool

As optional training, providers may access Avalon's Trial Claim Advice Tool. The tool allows users to simulate claim submission and adjudication by inserting codes for services, along with related patient diagnoses, to determine outcomes in advance of submitting claims. Avalon's Trial Claim Advice tool will review claims with laboratory services for adherence and consistency with CareSource laboratory policies governing the criteria listed above. This is a simulation tool and does not guarantee approval or reimbursement of claims.

Access to the Trial Claim Advice Tool will be available on the CareSource [Provider Portal](#) starting June 4, 2021. This tool is not required for claims submission; it is an optional tool for providers to gain familiarity with the practical application of the new laboratory policies. Providers will still need to submit actual claims through the CareSource [Provider Portal](#) for adjudication and payment.

For assistance using the Trial Claim Advice Tool, providers may contact CareSource's Provider Services at **1-800-488-0134**.

#### **Importance**

CareSource is committed to our providers in the provision of care for our members. This partnership is an effort to ensure consistency with industry best practices. While we recognize the impact of this change, we request your assistance in this enhancement to ensure continued high-quality health services.

#### **Questions?**

If you have questions regarding this notice, please contact Provider Services at **1-800-488-0134**. Our hours of operation are Monday through Friday, 8 a.m. to 6 p.m. Eastern Standard Time.

OH-MED-P-633202

