American Hospital Association™
Advancing Health in America

Washington, D.C. Office
800 10th Street, N.W.
Two CityCenter, Suite 400
Washington, DC 20001-4956
(202) 638-1100

August 14, 2020

Brian Brueckman
Executive Vice President, UnitedHealthcare Operations
UnitedHealthcare
P.O. Box 1459
Minneapolis, MN 55440-1459

Dear Mr. Brueckman:

I am writing to express deep concern about a forthcoming UnitedHealthcare (UHC) change in coverage policy for laboratory test services.

This new reporting policy could negatively impact the accessibility of care, as well as create unnecessary burdens on both patients and providers at the same time that such providers are expected to still be managing the COVID-19 public health emergency.

On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, I urge you to not move forward with this policy at this time.

UHC recently announced that it will require in-network, freestanding and outpatient laboratory claims to contain a laboratory specific, unique code for the overwhelming majority of laboratory testing services. The codes would be required in addition to the internationally-adopted standard Current Procedural Terminology (CPT) codes. In addition, in order for laboratories to be paid for these services, they must register each test code with UHC. This policy will apply to UHC's commercial, Medicare Advantage and Community Plan health plan products.

While we understand that UHC has delayed implementation until Jan. 1, 2021 from Oct. 1, 2020, we still have a number of concerns regarding this policy.

UHC has not provided a rationale for this decision, nor has it justified the potential negative consequences. This policy could disrupt laboratory services and have significant negative impacts on health care providers and patients, particularly given the circumstances and manner in which it has been rolled out. **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.**

Moreover, the policy contains several unresolved programmatic flaws that make reporting of the lab test code impractical and noncompliant with institutional claim data content and format standards.

Value

Because it represents a significant deviation from the standard method of submitting claims for laboratory services, UHC's new protocol caught a significant number of hospitals and other health care organizations by surprise.

The Health Insurance Portability and Accountability Act (HIPAA) Transaction and Code Set Standards require providers and health plans to use standard content, formats and coding. HIPAA identifies the CPT codes as the code set standard for outpatient services, including laboratory tests. As such, our members exclusively use CPT codes to report laboratory services on outpatient claims like all other organizations that fall under the definition of a HIPAA-covered entity.

If a provider, health plan or any other entity deems the existing CPT codes to be incomplete, insufficient or lacking in specificity, there is a well-established process through the American Medical Association (as the code set maintainer) to propose the creation of new CPT codes or the revision of existing CPT codes. **We are not aware of the UHC having made any attempt to request changes to address any perceived CPT shortcomings.**

Timing

Because this change was first announced in March, with most programmatic specifics not available until May 29, laboratories and hospitals have not had sufficient time to prepare for this program and, given the current workload in responding to the COVID-19 public health crisis, they would likely be unable to comply before the January implementation date**.**

In order to meet the requirements, laboratories would be required to register all test codes with UHC, educate laboratory staff, implement workflows and reprogram billing systems — all to enable this new information to be submitted on a claim. Asking providers to accomplish these changes in such a small amount of time would be extremely burdensome during normal operations; expecting such a change to take place as the field battles the COVID-19 pandemic is unrealistic.

In order to meet the call of federal, state and local officials during the ongoing public health emergency, hospitals and other health care organizations have devoted resources, altered institutional plans and reallocated technological teams and other staff toward meeting patient needs. UHCs new laboratory policy would divert staff time and resources that are currently focused on addressing the pandemic, making the planned implementation dangerous for patients and providers.

Reporting requirements

In order to report the unique test codes, UHC requires providers to incorporate this information into existing claim fields. UHC directs the code to be placed in Form Locator 43 on institutional paper claims (UB-04) and using the NTE (Note) Segment of Loop 2400 - (Service Line Number) in electronic claims (837I).

However, according to the UB-04 data specifications manual, FL43 can only be used to report revenue code descriptors and other specifically delineated information approved by the National Uniform Billing Committee (NUBC), a committee designated under HIPAA for the maintenance of data content for institutional claims.

Similarly, the proposed usage of the NTE in Loop 2400 for electronic claims appears to be inconsistent with the transaction rules set forth by X12 Inc., the organization responsible for formatting requirements of the 837I electronic claim standards governed under HIPAA. This NTE is specifically for Third Party Organization Notes and is not to be completed by providers.

UHC, as active participants in the NUBC and X12, should engage with these groups to determine the most appropriate and compliant method of reporting new information on claim transactions prior to implementation of any reporting requirements.

We believe that UHC, our members and the patients we serve share a common goal: affordable health care and coverage for services, including laboratory testing. This new testing policy, however, fails to properly contribute toward this objective. As testing remains a major challenge in combatting the COVID-19 pandemic and in order to prevent unnecessary strain on laboratories and patients, I urge you to reconsider implementation of this policy.

We welcome the opportunity to meet to discuss this issue with you further. Please feel free to contact me or have a member of your team contact Terrence Cunningham at (312) 422-3346 or tcunningham@aha.org.

Sincerely,

/s/

Thomas P. Nickels
Executive Vice President
Government Relations and Public Policy

Cc:
Linda Simmons, Vice-President, National Lab Program