

Modifier -90 Reference (Outside) Laboratory

Policy REIMB-022

Origination Date: 06/01/2020

Reviewed/Revised Date: 07/10/2023

Next Review Date: 07/10/2024

Current Effective Date: 07/10/2023

Disclaimer:

1. Policies are subject to change in accordance with State and Federal notice requirements.
2. Policies outline coverage determinations for U of U Health Plans Commercial and Healthy U (Medicaid) plans. Refer to the "Policy" section for more information.
3. Services requiring prior-authorization may not be covered, if prior-authorization is not obtained.
4. **This Medical Policy does not guarantee coverage or payment of the service. The service must be a benefit in the member's plan and the member must be eligible for coverage at the time of service. Additional payment guidelines may be applied that are not included in this policy.**

Description:

CPT modifiers (also referred to as Level I modifiers) are used to supplement information or adjust care descriptions to provide extra details concerning a procedure or service provided by a physician. Code modifiers help further describe a procedure code without changing its definition. When laboratory procedures are performed by a third party, other than the treating or reporting physician or other qualified health care professional, the procedure may be identified by adding modifier 90 to the usual procedure number. This is an indication of pass through billing. All entities billing for laboratory services should append identifying modifiers (e.g., 90), when appropriate, in accordance with correct coding.

Policy Statement and Criteria

1. Commercial Plans

U of U Health Plans will NOT reimburse laboratory tests billed by a party other than the performing laboratory (POS 81), nor tests submitted with modifier 90 appended to the laboratory test procedure code.

U of U Health Plans does NOT permit pass through billing, therefore balance billing of such services to our members is not allowed.

2. Medicaid Plans

Coverage is determined by the State of Utah Medicaid program; if Utah State Medicaid has no published coverage position and InterQual criteria are not available, the U of U Health Plans Commercial criteria will apply. For the most up-to-date Medicaid policies and coverage, please visit their website at: <https://medicaid.utah.gov/utah-medicaid-official-publications/> or the [Utah Medicaid code Look-Up tool](#)

CPT/HCPCS codes covered by Utah State Medicaid may still require further evaluation to determine medical necessity for coverage.

Clinical Rationale

Use of modifier 90 indicates that a laboratory test was performed by a party other than the treating or reporting physician or other qualified health care professional. Laboratory services must be submitted directly to the Plan by the provider who actually performed the laboratory test. The Plan will no longer reimburse laboratory tests billed by a party other than the performing laboratory nor tests submitted with modifier 90 appended to the laboratory test procedure code. Reimbursement will be made directly to the laboratory that performed the service(s), for those laboratory services covered by the member's benefits.

Applicable Coding

Modifier 90 Reference (Outside) Laboratory

References:

1. American Medical Association (AMA), Current Procedural Terminology (CPT®) and associated publications and services. Last accessed June 8, 2023.
2. Centers for Medicare and Medicaid Services (CMS). "Place of Service Code Set-Place of Service Codes for Professional Claims". Database last updated October 2019. Accessed April 17, 2020. Available at: https://www.cms.gov/Medicare/Coding/place-of-service-codes/Place_of_Service_Code_Set
3. Centers for Medicare and Medicaid Services (CMS). Regulations and Guidance; Guidance; Manuals. "Medicare Claims Processing Manual Chapter 16 - Laboratory Services". Accessed April 16, 2020. Available at: <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c16.pdf>
4. Clinical Laboratory Improvement Amendments (CLIA) program billing guidelines. Accessed May 8, 2020. Available at: <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/CLIABrochure.pdf>
5. CMS Healthcare Common Procedure Coding System (HCPCS) code set.
6. Optum360'. EncoderPro.com for Payers Professional. "Modifier 90". Last accessed April 16, 2022. Available at: https://www.encoderpro.com/epr4payers/modifiersHandler.do? k=3036*90*1065*4& a=viewModCodes

Disclaimer:

This document is for informational purposes only and should not be relied on in the diagnosis and care of individual patients. Medical and Coding/Reimbursement policies do not constitute medical advice, plan preauthorization, certification, an explanation of benefits, or a contract. Members should consult with appropriate health care providers to obtain needed medical advice, care, and treatment. Benefits and eligibility are determined before medical guidelines and payment guidelines are applied. Benefits are determined by the member's individual benefit plan that is in effect at the time services are rendered.

The codes for treatments and procedures applicable to this policy are included for informational purposes. Inclusion or exclusion of a procedure, diagnosis or device code(s) does not constitute or imply member coverage or provider reimbursement policy. Please refer to the member's contract benefits in effect at the time of service to determine coverage or non-coverage of these services as it applies to an individual member.

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