

**Bulletin Number:** MSA 12-58

**Distribution:** Practitioners, Family Planning Clinics, Medical Clinics, Independent Laboratories

**Issued:** December 1, 2012

**Subject:** Elimination of Maximum Daily Dollar Limits for Laboratory Services

**Effective:** January 1, 2013

**Programs Affected:** Medicaid, Children's Special Health Care Services (CSHCS), MOMs, Plan First!, Adult Benefit Waiver (ABW)

Effective for dates of service (DOS) on or after January 1, 2013, the current maximum daily dollar limits for laboratory claims will be eliminated.

Historically, Medicaid policy has enforced maximum daily dollar limits for laboratory services. Limits were established as \$50 for practitioners, family planning clinics, and medical clinics, and \$125 for independent laboratories. These limits applied to laboratory services rendered by the same provider, for the same beneficiary, on a single DOS. The purpose of the policy was to achieve annual savings to the Medicaid program by limiting unnecessary and excessive laboratory testing.

Current policy has been in place since September 1, 1987. Since that time, the Centers for Medicare and Medicaid Services (CMS) has regulated laboratory testing through the Clinical Laboratory Improvement Amendments (CLIA). Certification of laboratories in both the independent lab and physician/clinic setting was required. As a result, the certification process and subsequent monitoring of the labs by CMS has reduced the incentive to perform unneeded tests. In addition, through the Medical Service Administration's (MSA) fraud and abuse measures, as well as the current Correct Coding Initiative (CCI) edits that place quantity limits on claims, MSA now has other methods to monitor appropriate billing.

## Manual Maintenance

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

## Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved



Stephen Fitton, Director  
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