



STATE OF MICHIGAN

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GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
WORKERS' COMPENSATION AGENCY
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Reference Guide to Calculate Michigan Workers' Compensation Maximum Allowable Payment for Clinical Laboratory and Pathology Fee Schedule Effective: 1/13/17

- *Drug testing, drug screening, and drug confirmation testing shall be billed with the applicable CMS procedure codes G0477-G0483.*
- *The absence or presence of a code does not indicate workers' compensation coverage.*
- *Please refer to the Health Care Services Manual for additional information.*

Clinical Laboratory and Pathology

Calculate the Michigan Maximum Allowable Payment (MAP) using the following formula:

Michigan Medicare Clinical Laboratory Fee, rounded x 110% = Michigan Clinical Laboratory MAP

Michigan Total RVU, rounded x \$47.19 (Michigan conversion factor) = Michigan Pathology MAP

Factors used to calculate clinical laboratory MAP:

- The Michigan Medicare Laboratory Fee table is available on our website at www.michigan.gov/wca.
- 110% represents Medicare plus 10%

Factors used to calculate pathology MAP:

- The Relative Value Units (RVU) are based upon the Centers for Medicare and Medicaid (CMS) resource-based relative value scale (RBRVS). The 2016 CMS Physician Fee Schedule Data table is available on our website at www.michigan.gov/wca.
- \$47.19 represents the Michigan conversion factor.
- **Modifiers:**
TC – Technical Component
26 – Professional Component

Health Care Services Rule for reference:

- **R 418.101503** Laboratory procedure codes and maximum allowable payments.

Rule 1503. (1) The workers' compensation agency shall determine the maximum allowable payment for the laboratory procedure codes found in the CPT and HCPCS codebooks, as adopted by reference in R418.10107. The rate shall be determined by multiplying the Medicare rate established for this state by 110%.

(2) The pathology procedure codes found in the 80000 series of the CPT code set have assigned relative values and shall be provided on the agency's website at www.michigan.gov/wca.

(3) The maximum allowable payments for the laboratory and pathology procedures shall be provided on the agency's website, www.michigan.gov/wca.

(4) A provider performing drug testing, drug screening, and drug confirmation testing shall use the appropriate CMS procedure codes G0477-G0483 listed in the HCPCS codebook, as adopted by reference in R418.10107. A maximum of one service unit per procedure code per date of service shall be billed with procedure codes G0477-G0483.

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