



REIMBURSEMENT POLICY STATEMENT

Indiana Medicaid

Policy Name & Number	Date Effective
Evaluation and Management Services and Urinalysis-IN MCD-PY-1606	07/01/2026
Policy Type	
REIMBURSEMENT	

Reimbursement Policies prepared by CareSource and its affiliates are intended to provide a general reference regarding billing, coding and documentation guidelines. Coding methodology, regulatory requirements, industry-standard claims editing logic, benefits design and other factors are considered in developing Reimbursement Policies.

In addition to this Policy, Reimbursement of services is subject to member benefits and eligibility on the date of service, medical necessity, adherence to plan policies and procedures, claims editing logic, provider contractual agreement, and applicable referral, authorization, notification and utilization management guidelines. Medically necessary services include, but are not limited to, those health care services or supplies that are proper and necessary for the diagnosis or treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity, impairment of function, dysfunction of a body organ or part, or significant pain and discomfort. These services meet the standards of good medical practice in the local area, are the lowest cost alternative, and are not provided mainly for the convenience of the member or provider. Medically necessary services also include those services defined in any federal or state coverage mandate, Evidence of Coverage documents, Medical Policy Statements, Provider Manuals, Member Handbooks, and/or other policies and procedures.

This Policy does not ensure an authorization or Reimbursement of services. Please refer to the plan contract (often referred to as the Evidence of Coverage) for the service(s) referenced herein. If there is a conflict between this Policy and the plan contract (i.e., Evidence of Coverage), then the plan contract (i.e., Evidence of Coverage) will be the controlling document used to make the determination. CareSource and its affiliates may use reasonable discretion in interpreting and applying this Policy to services provided in a particular case and may modify this Policy at any time.

According to the rules of Mental Health Parity Addiction Equity Act (MHPAEA), coverage for the diagnosis and treatment of a behavioral health disorder will not be subject to any limitations that are less favorable than the limitations that apply to medical conditions as covered under this policy.

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A. Subject

Evaluation and Management Services and Urinalysis

B. Background

This policy provides guidance when billing urinalysis laboratory tests in conjunction with Evaluation and Management (E/M) services, on the same day, for the same member, by the same provider. Urinalysis laboratory tests are used to evaluate health and diagnose medical conditions using the physical, chemical, and microscopic properties of an individual's urine sample. The urine sample is visually examined for color, clarity, and odor. A dipstick is used to examine the chemical properties of the urine sample for its pH, specific gravity, protein, glucose, ketones, bilirubin, urobilinogen, nitrites, and leukocyte esterase. A microscopic exam of urine measures the presence of red blood cells, white blood cells, epithelial cells, casts, crystals, and bacteria. The results of an urinalysis can help assess kidney function, monitor diabetes mellitus (DM) status, evaluate liver disease, for routine health screening, or alert the health care provider to the possible presence of a urinary tract infection (UTI), proteinuria, or hematuria.

C. Definitions

- **Routine Procedures** – Common procedure (eg, diagnostic test or screen) that is performed in connection with another procedure (eg, collection of a clean-catch urine sample or a throat swab) or is included in a treatment protocol for which a composite payment amount has been established (eg, specific laboratory test performed for an individual receiving dialysis).

D. Policy

- Urinalysis tests (eg, 81002, 81003) are considered routine procedures when performed during an office E/M visit and are not independently interpretable. When urinalysis tests are conducted in conjunction with an E/M service on the same day, for the same member, by the same provider, the provider will not be reimbursed for the urinalysis tests. Only the E/M service will be reimbursed.

E. Conditions of Coverage

NA

F. Related Policies/Rules

NA

G. Review/Revision History

DATE		ACTION
Date Issued	05/07/2025	New policy. Approved at Committee.
Date Revised	03/11/2026	Periodic review. Updated definitions, edited to clarify office E/M in section D.I., updated references. Approved at Committee.
Date Effective	07/01/2026	

The REIMBURSEMENT Policy Statement detailed above has received due consideration as defined in the REIMBURSEMENT Policy Statement Policy and is approved.

Date Archived		
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H. References

1. Evaluation and Management Services. Provider Reference Module. Indiana Health Coverage Programs. Updated October 1, 2025. Accessed February 16, 2026.
www.in.gov

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Approved OMPP 04/21/2026

The REIMBURSEMENT Policy Statement detailed above has received due consideration as defined in the REIMBURSEMENT Policy Statement Policy and is approved.