



## Payment Policy

**Subject: Pass-Through Billing**

**Programs Covered:** OH Medicaid, KY Medicaid, OH Special Needs Program, OH MyCare, and OH Just4Me™

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### ***Policy***

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Effective November 1, 2014, CareSource prohibits pass-through billing as set forth in this policy. Any claim submitted by a provider which includes services ordered by that provider, but which were performed by a person or entity other than that provider or a direct employee of that provider will not be reimbursed.

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### ***Definitions***

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**“CLIA,”** means the Clinical Laboratory Improvement Amendments of 1988, which are federal regulatory standards that apply to all clinical laboratory testing performed on humans in the United States except clinical trials and basic research. (from <http://www.cms.gov/Regulations-and-Guidance/Legislation/CLIA> & Internal CareSource definition)

**“Direct Employee,”** means an employee of a provider who is under direct supervision of the ordering provider and the services is billed by the ordering provider. An employee is person that receives a W-2 (as opposed to a 1099) from the participating provider and does not have their own provider or NPI number. (CareSource internal definition)

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### ***Provider Reimbursement Guidelines***

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CareSource prohibits pass-through billing. Pass-through billing occurs when an ordering provider requests and bills for services that are not performed by the ordering provider or by a direct employee of that provider.

With respect to laboratory services, CareSource will reimburse for the services which the provider itself is certified through CLIA to perform. Claims may not be submitted to CareSource for any laboratory services for which a provider lacks the applicable CLIA certification. Additionally, CareSource members cannot be billed for any such services. CareSource considers any claim for services related to pass-through billing not eligible for reimbursement.

Providers must bill CareSource only for those services which they or their direct employees perform. Providers will not bill, charge, seek payment for or submit any claims to CareSource, nor will they have any recourse against CareSource or any of its members for amounts related to the provision of pass-through billing.

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***Related Policies & References***

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42 CFR 493, "Standards and certification: Laboratory Requirements."

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***State Exceptions***

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***Document History***

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