

I am commenting on the clinical laboratory and laboratory services rate methodology change.

I am a clinical laboratory consultant that works with many California laboratories and was on the stakeholders conference call.

Most laboratories do not have contracts with every payer and accept payment irregardless of contracting. It will be too much of a task for labs to research all payments by payer and then record each different payment rate received. Some kind of formula of the laboratory's percentage of payer payments should be established, i.e., the top 80% of the laboratory's payments. Spending the time to breakout the bottom 20% might not be relevant.

I am suggesting that laboratories submit the required data sets in a spread sheet that uses the same format that CMS publishes its laboratory fee schedule. It is an Excel spreadsheet that has the HCPC codes in the first column and the state's fees in the following columns. See <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ClinicalLabFeeSched/clinlab.html> The State columns could be changed to payer names and their payment. Most labs use this file to obtain/update their Medicare fee schedules and should be able to use this format to provide the required information. It is important to determine the submission format quickly because labs will have to make time consuming changes to their lab information systems to research the required information.

The definition of 'payer' needs to be clearly defined. Purchaser and payer have been used for different purposes by DHCS over recent years. Does payer mean only private insurance carriers or are IPA, HMO, client billing, Federally Qualified Heath Centers, etc., to be included in the requested data sets?

Thank you for considering my comments.

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