

**WAC 182-531-0850 Laboratory and pathology physician-related services reimbursement.** (1) The department pays for clinical diagnostic laboratory procedures based on the **medicare clinical diagnostic laboratory fee schedule (MCDLF)** for the state of Washington. The department obtains information used to update fee schedule regulations from Program Memorandum and Regional Medicare Letters as published by HCFA.

(2) The department updates budget-neutral fees each July by:

(a) Determining the units of service and expenditures for a base period. Then,

(b) Determining in total the ratio of current department fees to existing medicare fees. Then,

(c) Determining new department fees by adjusting the new medicare fee by the ratio. Then,

(d) Multiplying the units of service by the new department fee to obtain total estimated expenditures. Then,

(e) Comparing the expenditures in subsection (14)(d) of this section to the base period expenditures. Then,

(f) Adjusting the new ratio until estimated expenditures equals the base period amount.

(3) The department calculates maximum allowable fees (MAF) by:

(a) Calculating fees using methodology described in subsection (2) of this section for procedure codes that have an applicable medicare clinical diagnostic laboratory fee (MCDLF).

(b) Establishing **RSC** fees for procedure codes that have no applicable MCDLF.

(c) Establishing maximum allowable fees, or "**flat fees**" for procedure codes that have no applicable MCDLF or RSC fees. The department updates flat fee reimbursement only when authorized by the legislature.

(d) The department reimbursement for clinical laboratory diagnostic procedures does not exceed the regional MCDLF schedule.

(4) The department increases fees if the legislature grants a vendor rate increase or other increase. If the legislatively authorized increase becomes effective at the same time as the department's annual update, the department applies the increase after calculating budget-neutral fees.

[WSR 11-14-075, recodified as § 182-531-0850, filed 6/30/11, effective 7/1/11. Statutory Authority: RCW 74.08.090. WSR 10-19-057, § 388-531-0850, filed 9/14/10, effective 10/15/10. Statutory Authority: RCW 74.08.090, 74.09.520. WSR 01-01-012, § 388-531-0850, filed 12/6/00, effective 1/6/01.]