

Baystate Reference Laboratories

361 Whitney Ave,
Holyoke, MA 01040
(413) 322-4000 Fax (413) 322-4001

April 12, 2010

Dear Colleague:

Federal governmental agencies, third-party payers, and patients diligently review billing and test ordering practices and other related issues in an effort to contain costs in the health care industry. The Office of the Inspector General (OIG) suggests in the Model Compliance Program for Clinical Laboratories that, on an annual basis, we provide you with the following information:

1. Medicare's medical necessity requirements and a copy of the laboratory policy.
2. Components of profiles. This includes the names of tests, CPT codes, charges, Medicare reimbursement amounts applicable to each code used for billing the profile and/or its components and how the laboratory will bill Medicare for each profile.
3. Any changes in BRL CPT coding for the year.
4. A list of routine reflex testing.

We hope that sharing this information will lead to a better understanding of the regulations that we must follow and their impact upon our practice and procedures.

Many third party payors are beginning to implement policies similar to Medicare National Coverage Determinations. Blue Cross Blue Shield has implemented policies for NON covered services. Enclosed please find a listing of tests which will not be covered by BCBS plans (excluding Medicare replacement products). The Business Development Representatives will be discussing the impact of these initiatives in greater detail with individual offices.

Baystate Reference Laboratories has moved four of our technical laboratories to Whitney Avenue in Holyoke in late November 2009 with little to no interruption in services. The laboratories are: Cytology, Molecular, Genetics, and Immunology.

We understand the increasing interest in Electronic Medical Records in part due to various government incentives and the perceived improvement in quality care. We are doing our best to plan and allocate resources to be able to meet your needs. Please contact your Business Development Representative so that we can be part of the discussion as early as possible. This will allow us to assign appropriate resources for expeditious implementation.

Thank you very much for your continued support of Baystate Reference Laboratories. If you have any questions regarding this letter or attachments, please feel free to contact me directly at 794-4550 or your BRL Business Development Representative at 413-322-4000 or 1-800-778-5599.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Friedberg', written in a cursive style.

Richard C. Friedberg, MD, PhD
Chairman, Baystate Health Department of Pathology
Medical Director Baystate Reference Laboratories

A handwritten signature in black ink, appearing to read 'Jason Newmark', written in a cursive style.

Jason Newmark
Director, Baystate Diagnostic Services