BlueCross BlueShield of Illinois

Laboratory Benefit Management Program FAQs

1. **When will the Laboratory Benefit Management program go into effect?**
   The Laboratory Benefit Management (LBM) program will apply to commercial non-HMO claims with dates of service on or after Jan. 1, 2024.

2. **What claims are subject to the LBM program?**
   The LBM program applies to outpatient laboratory services (typically performed in an office, hospital outpatient, or independent lab setting) provided to **our commercial non-HMO members**. The LBM program does not apply to laboratory services provided in an emergency room, hospital observation, or hospital inpatient setting. At this time, the LBM program does not apply to government programs or HMO members.

3. **Why has BCBSIL decided to launch the LBM program?**
   The LBM program helps reduce over-testing (including fraud, waste, and abuse), lower cost variability, and drive high quality care, without creating barriers or delays to care. Implementation of the LBM program supports a value-driven approach to outpatient laboratory services as part of a broader ongoing commitment to drive accessible, quality, affordable care for our members through reduction of associated member costs.

4. **Why did BCBSIL pause the LBM program earlier this year?**
   BCBSIL received feedback from providers in connection with the original November 2022 launch of the LBM program. We are grateful to our providers for their engagement and feedback, as it helped identify opportunities for refinement. During the program pause, BCBSIL reviewed important aspects in order to reimplement the LBM program in a way that addresses provider concerns.

5. **What changes has BCBSIL made to the LBM program?**
   BCBSIL medical policies have been posted on our website since Oct. 2, 2023. Each policy includes references to the specialized professional societies, scientific publications, national guidelines, and other standards of care relied upon to establish the criteria for the program. In the event that a laboratory service is denied, the member and their provider will receive notification of the denial that includes instructions for filing a clinical appeal.

6. **Where can I find the medical policies?**
   BCBSIL Medical Policies (MED209) have been posted on our website since Oct. 2, 2023, on the **Pending Policies** page. Please note that this page is not searchable; however, users can sort the policies in numerical order by clicking on the arrows under the Policy Number column. On Jan. 1, 2024, these policies will be available on BCBSIL's Active Policies page.

7. **What has BCBSIL done to help prepare providers for the launch of the LBM program?**
   The medical policies have been published on our website since Oct. 2, 2023, and BCBSIL will be hosting provider education and training sessions in the months leading up to Jan. 1, 2024. Our Provider Network Consultant team remains dedicated to answer provider questions. Please continue to watch the News and Updates for program announcements and related resources.

8. **Do the LBM program medical policies comply with federal and state mandates?**
   Yes. The criteria in the medical policies comply with applicable laws and rules.

9. **Will the LBM program present a barrier to patient care?**
   No. The medical policy criteria applied under the LBM program is post-service and is not a barrier to patient care. The LBM program does not implement a prior authorization requirement.

10. **How do I appeal a claim that has been denied under the LBM program?**
    In the event that a laboratory service is denied based on the medical policy criteria, the member and their provider will receive notification of the denial that includes instructions for filing a clinical appeal. Providers can review instructions for submitting a clinical appeal on our Claim Review and Appeal page.

11. **Will the LBM program cause a significant administrative burden on providers?**
    No. The LBM program does not require providers to change the way they order lab tests. To request a clinical appeal, providers will follow current BCBSIL processes. The member and their provider(s) will receive notification in the event that a laboratory service is denied. The rationale for denial(s) also will be included on the Provider Claim Summary, the Ineligible Reason Code description will be displayed in Availity® Essentials, and the Claim Adjustment Reason Code and Remittance Advice Remark Codes will be included on the electronic remittance advice.

12. **If a lab service is denied pursuant to LBM medical policy, can the member be balance billed?**
    BCBSIL does not advocate that providers seek reimbursement from members for lab services that are denied. Each provider's agreement dictates the circumstances under which a provider might be prohibited from seeking reimbursement from a member for services, including laboratory procedures, beyond a member's cost share. The fact that a particular laboratory procedure is denied by BCBSIL does not, on its own, determine whether a provider may seek reimbursement from the member. Whether in-network or out-of-network, the provider also may need specific permission from the member to bill the member for the costs of any non-covered services. BCBSIL instead encourages providers to review and understand the medical policy criteria and does not support the practice of requesting a waiver for payment from a member in order to circumvent the LBM program. It is BCBSIL's position that no payer and no member should be forced to pay any provider for a test that is unnecessary or wasteful.

13. **Where can providers learn more about the LBM program?**
    We encourage providers to review the medical policies (MED209) that have been published on our website since Oct. 2, 2023. Our Provider Network Consultant team remains dedicated to answer provider questions. Please continue to watch the News and Updates for program announcements, including upcoming educational sessions and related resources.

This program doesn't apply at this time to government programs (Medicare Advantage and Illinois Medicaid) or any of our HMO members.