
MEDICARE COMPLIANCE

CMS Abandons Requirement For Lab-Requisition Signatures

In a June 30 proposed regulation, CMS formally bid farewell to its requirement for physician signatures on lab requisitions. Hospitals should breathe a sigh of relief, although they may have already felt some comfort by CMS's decision late last year to revisit the mandate and delay enforcement (*RMC 12/13/10, p. 1*).

CMS's move couldn't be any clearer. "This proposed rule would retract the policy adopted in the calendar year 2011 Physician Fee Schedule final rule with comment period that requires the signature of a physician or qualified non-physician practitioner on a requisition for clinical diagnostic laboratory tests paid under the Clinical Laboratory Fee Schedule," CMS states. That means, CMS says, the old policy is in effect, which states that Medicare doesn't require the signature of a physician or qualified non-physician practitioner on lab tests.

Hospitals have been waiting months for clarity in this Medicare policy, which took effect Jan. 1, 2011. After the physician fee schedule rule introduced mandatory physician signatures last year, hospital managers were angry and confused. If the physician order for the lab work was signed, did that count? And how would hospitals get a requisition signature if the lab specimen came to the hospital lab from a home health patient located far from the physician's office? Would the home health nurse have to go to the office? CMS took a step back, announcing it would revisit the requirement, suspend enforcement for the first quarter of 2011 and focus on raising awareness.

Physician orders are different from requisitions and the rules for orders are not changing. "A physician order for a lab test is required by regulation as one documentation element to satisfy medical necessity. This revision does not change that requirement; it only changes the requirement that the physician sign the requisition itself, [which is] the documentation which goes to the lab," says San Francisco attorney Judy Waltz, with Foley & Lardner LLP.

While the proposed regulation reflects CMS's recognition of how the lab test ordering process really works — physicians often do not sign requisitions — "it does not reduce the risk to the lab that the physician's chart will not have acceptable documentation that the test was ordered for medically necessary reasons," says Waltz, noting the lab often lacks access to the physician's chart.

If paid lab claims are audited and physician documentation is inadequate or the lab is unable to produce the documentation, the lab will face an overpayment. "Signing the requisition might theoretically have focused physicians a bit on the documentation requirements for ordering lab tests. Unfortunately, the operational reality is that physicians probably would not have provided signatures on requisitions, and the lab might have even more claims which could not be justified for Medicare payment," Waltz says.

Read the proposed regulation at www.gpo.gov/fdsys/pkg/FR-2011-06-30/pdf/2011-16366.pdf. ✧