

PCHP Reimbursement Policy		
Topic: Drug Testing	Policy Number: PCHP.RI.004	Policy Section: Facility
Last Modification Date:	Effective Date: 5/15/2025	

Policy Disclaimer:

Please ensure adherence to correct billing and submission protocols. Utilize industry-standard, compliant codes when submitting claims. Services should be coded using Current Procedure Terminology® (CPT), Healthcare Common Procedure Coding System (HCPCS), and/or revenue codes. These codes specify the services or procedures rendered and must be fully substantiated in the medical record or office notes upon billing. Our reimbursement policies apply uniformly to both participating and non-participating professional providers and facilities, unless stated otherwise.

Failure to comply with appropriate coding/billing guidelines or current reimbursement policies may result in actions by PCHP, including claim rejection or denial, claim payment recovery/recoupment, or reimbursement adjustment to accurately reflect the services provided.

These reimbursement policies are designed to support you in submitting accurate claims and to clarify the criteria for reimbursement if PCHP covers the service under the member's benefit plan; however, coverage determination for items such as, but not limited to service, procedure, item, do not guarantee reimbursement. All billed services must align with authorization and medical necessity guidelines.

These reimbursement policies may be overridden by mandates in provider contracts, state or federal regulations, or Centers for Medicare & Medicaid Services (CMS) requirements. PCHP strives to implement policy changes promptly; any delays may necessitate recoupment of claims payment to the effective date as outlined in the policy. We reserve the right to periodically review and update these policies as needed, with the most current version available on our website upon any revisions.

Policy:

PCHP will reimburse drug testing, presumptive and/or definitive, when properly ordered and billed. PCHP uses established nationally accepted industry standards and coding principles to develop this policy regarding reimbursement for drug testing performed in the outpatient setting.

PCHP reserves the right to review submitted medical documentation to support the need for definitive and/or presumptive drug testing post-service in the outpatient setting. This process is implemented to evaluate if this policy was followed, and criteria were satisfied. When a claim is submitted to PCHP, it will be assessed for medical necessity. Outpatient drug testing that does not meet the criteria in this policy will not be reimbursed.



Definitive drug testing is allowed on the same date of service as presumptive drug testing by instrumented chemistry analyzers for the same member by an independent clinical laboratory with a place of service 81.

Tests not reimbursable:

PCHP does not allow separate reimbursement for specimen validity testing when utilized for drug screening. Specimen validity testing is included in the presumptive and definitive drug testing CPT and HCPCS code descriptions. No modifiers will override the bundle edit.

Reimbursement for Employment/pre-employment drug screening is not permitted.

References:

This policy has been developed through consideration of the following:

- CMS, Department of Health and Human Services, Texas Health and Human Services and all applicable agencies, National Correct Coding Initiative, Clinical Laboratory Improvement Amendments (CLIA) guidelines.

Policy History:

Description	Date
Policy Created	May 10, 2024
Policy Approved	January 30, 2025