



Iowa Department of Human Services

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INFORMATIONAL LETTER NO.1446

DATE: November 19, 2014

TO: Iowa Medicaid Physicians, Independent Labs, Hospitals, Advanced Registered Nurse Practitioners, Certified Nurse Midwives, Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHC)

FROM: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: Coding Changes for Drug Screening

EFFECTIVE: December 1, 2014

Iowa Administrative Code 441—79.9(1) requires Iowa Medicaid to follow Medicare policy when Iowa Medicaid does not have a specifically defined policy. The IME has determined that Medicare has a specific policy regarding the billing of drug screens to Iowa Medicaid. In order to follow Medicare policy, Healthcare Common Procedure Coding System (HCPCS) code G0431 will replace the Current Procedural Terminology (CPT) code 80101 and HCPCS code G0434 will replace CPT code 80100 when billing Medicaid for these services.

The Centers for Medicare and Medicaid Services (CMS) refined these drug screen testing codes for Medicare purposes and revised the descriptors to avoid unnecessary or excessive utilization of HCPCS code G0431 for relatively simple point-of-care tests that screen for multiple substances. CMS introduced HCPCS code G0434 to report qualitative point-of-care drug screen testing and to limit billing for such testing to one time per patient encounter. CMS also revised the descriptor for HCPCS code G0431 to emphasize that the code describes all screening for multiple drug classes per patient encounter. To be consistent with Medicare guidelines, claims with a date of service December 1, 2014, and after, will require HCPCS codes G0431 and G0434 to report drug screen testing. Below is a description of each code and guidelines to be followed:

- **HCPCS Code G0431** (Drug screen, qualitative; multiple drug classes by high complexity test method (e.g., immunoassay, enzyme assay, per patient encounter)) will be used to report more complex testing methods, such as multi-channel chemistry analyzers, where a more complex instrumented device is required to perform some or all of the screening tests for the patient. Note that the descriptor has been revised for calendar year 2011. This code may only be reported if the drug screen test(s) is classified as Clinical Laboratory Improvement Amendments (CLIA) high complexity test(s) with the following restrictions:
 1. HCPCS code G0431 may only be reported when tests are performed using instrumented systems (e.g., durable systems capable of withstanding repeated use),

2. CLIA waived tests and comparable non-waived tests may not be reported under HCPCS code G0431; they must be reported under HCPCS code G0434,
 3. CLIA moderate complexity tests should be reported under HCPCS code G0434 with one (1) Unit of Service,
 4. HCPCS code G0431 may only be reported once per patient encounter,
 5. Laboratories billing HCPCS code G0431 must not append the QW modifier to claim lines.
- **HCPCS Code G0434** (Drug screen, other than chromatographic; any number of drug classes, by CLIA waived test or moderate complexity test, per patient encounter) will be used to report very simple testing methods, such as dipsticks, cups, cassettes, and cards, that are interpreted visually, with the assistance of a scanner, or are read utilizing a moderately complex reader device outside the instrumented laboratory setting (i.e., non-instrumented devices). This code is also used to report any other type of drug screen testing using test(s) that are classified as CLIA moderate complexity test(s), keeping the following points in mind:
 1. HCPCS code G0434 includes qualitative drug screen tests that are waived under CLIA as well as dipsticks, cups, cards, cassettes, etc., that are not CLIA waived,
 2. Laboratories with a CLIA certificate of waiver may perform only those tests cleared by the Food and Drug Administration (FDA) as waived tests. Laboratories with a CLIA certificate of waiver shall bill using the QW modifier,
 3. Laboratories with a CLIA certificate of compliance or accreditation may perform non-waived tests. Laboratories with a CLIA certificate of compliance or accreditation do not append the QW modifier to claim lines,
 4. Only one unit of service for HCPCS code G0434 can be billed per patient encounter regardless of the number of drug classes tested and irrespective of the use or presence of the QW modifier on claim lines.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, locally at 515-256-4609, or by email at imeproviderservices@dhs.state.ia.us.