

Exclusive nationally based outpatient laboratory provider: Frequently asked questions

Note: This FAQ was revised on May 1, 2018.

This collection of frequently asked questions provides more detailed information regarding the phased approach AmeriHealth HMO, Inc. and AmeriHealth Insurance Company of New Jersey (collectively, AmeriHealth New Jersey) took to make Laboratory Corporation of America® Holdings (LabCorp) our exclusive national outpatient laboratory as of May 1, 2018.

AmeriHealth New Jersey has ended its contracts with the following laboratories as outlined below:

- **Quest Diagnostics™ (Quest).** Effective October 1, 2017, the contract ended for AmeriHealth New Jersey health plans, and Quest is now an out-of-network provider.
- **BioReference Laboratories (BioReference).** Effective March 1, 2018, the contract ended for AmeriHealth New Jersey health plans, and BioReference is now an out-of-network provider.
- **Health Network Laboratories® (Health Network).** Effective May 1, 2018, the contract ended for AmeriHealth New Jersey health plans, and Health Network is now an out-of-network provider.

This document will be updated as additional information becomes available. We encourage you to visit the LabCorp-dedicated section of our Provider News Center at www.amerihealth.com/pnc/lab. Email us at providercommunications@amerihealth.com if you have further questions after reviewing this document.

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General

1. What change did AmeriHealth New Jersey announce regarding outpatient laboratory services and when is it effective? (Revised 5/1/18)

On October 1, 2017, AmeriHealth New Jersey began a phased approach to make LabCorp the exclusive nationally based provider of outpatient laboratory services for AmeriHealth New Jersey as of May 1, 2018.

As part of this transition, AmeriHealth New Jersey has ended its contracts with the following in-network laboratories as outlined below:

- **Quest.** Effective October 1, 2017, the contract ended for AmeriHealth New Jersey health plans, and Quest is now an out-of-network provider.
- **BioReference.** Effective March 1, 2018, the contract ended for AmeriHealth New Jersey health plans, and BioReference is now an out-of-network provider.
- **Health Network.** Effective May 1, 2018, the contract ended for AmeriHealth New Jersey health plans, and Health Network is now an out-of-network provider.

This change applies to all AmeriHealth New Jersey product lines and members (HMO, HMO Plus, POS, POS Plus, PPO, and EPO), including individual and group members and AmeriHealth Administrators.

In addition to LabCorp, the AmeriHealth New Jersey network also includes other contracted laboratories (see the PDF available at www.amerhealth.com/pnc/lab).

2. What members are impacted by this change?

This change applies to all AmeriHealth New Jersey product lines and members (HMO, HMO Plus, POS, POS Plus, PPO, and EPO), including individual and group members and AmeriHealth Administrators.

3. Why did AmeriHealth New Jersey make this decision?

Health care has been undergoing rapid, remarkable change, spurred by implementation of the health care reform law, an increasing focus on the individual consumer, and continuing cost pressures. In late 2016, AmeriHealth New Jersey initiated a project to evaluate an exclusive national outpatient laboratory network concept, which has been effective in helping other insurers contain medical costs without affecting quality. Our relationship with LabCorp, a leading national laboratory, will allow for enhanced clinical initiatives to improve patient care without reducing access to participating outpatient labs.

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4. What do providers need to do as a result of this change? (Revised 5/1/18)

- a. See question 21 for information regarding your contractual obligations to refer members to participating providers. As a reminder, AmeriHealth New Jersey has ended its contracts with the following laboratories as outlined below:
 - **Quest.** Effective October 1, 2017, the contract ended for AmeriHealth New Jersey health plans, and Quest is now an out-of-network provider.
 - **BioReference.** Effective March 1, 2018, the contract ended for AmeriHealth New Jersey health plans, and BioReference is now an out-of-network provider.
 - **Health Network.** Effective May 1, 2018, the contract ended for AmeriHealth New Jersey health plans, and Health Network is now an out-of-network provider.
- b. If your office is capitated to LabCorp, but does not already have an account with LabCorp and/or you would like a local LabCorp representative to help you set up an account, email LabCorp at NENewaccounts@labcorp.com or call 1-888-295-5915. A LabCorp representative will assist you and your staff in the account setup process as well as visit your office to customize your test ordering and results solutions.
- c. Finally, if you select LabCorp as your capitated outpatient laboratory provider, we strongly suggest that providers establish their preferred electronic interface with LabCorp. See question 12 for more information about how to establish your preferred electronic interface with LabCorp.

5. How did AmeriHealth New Jersey communicate this change to physicians? (Revised 5/1/18)

AmeriHealth New Jersey notified providers of this change on June 29, 2017, July 27, 2017, September 1, 2017, October 6, 2017, February 1, 2018, March 1, 2018, April 2, 2018, and May 1, 2018, via *Partners in Health Update*SM articles, which are available on our Provider News Center (www.amerihealth.com/pnc). Information was also published on AmeriHealth NaviNet[®] Plan Central. In addition, a letter was sent to all primary care providers on June 29, 2017, and an email was sent to select participating providers on July 20, 2017.

Note: AmeriHealth Administrators also published information regarding the change on AmeriHealth Administrators NaviNet Plan Central on June 29, 2017.

In addition, a section was created on our Provider News Center that is dedicated to this change in outpatient laboratory network. Go to www.amerihealth.com/pnc/lab. This section houses relevant information about this transition to LabCorp as our exclusive nationally based outpatient laboratory provider. If participating providers have any questions about this change, they can send an email to provider_communications@amerihealth.com.

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6. How did AmeriHealth New Jersey notify members? (Revised 5/1/18)

AmeriHealth New Jersey mailed a letter to all members in September 2017. Affected HMO and POS members received a new ID card if their capitated laboratory provider changed during this transition.

Note: AmeriHealth Administrators emailed clients and their brokers on June 29, 2017, to notify them of the change.

7. What should providers look for when an AmeriHealth New Jersey member presents for service? Are there any ID card impacts? (Revised 5/1/18)

Physicians should use the Eligibility and Benefits Inquiry transaction on the NaviNet® web portal to verify the capitated laboratory provider for HMO, HMO Plus, POS, and POS Plus members. Using NaviNet ensures that practices have the most accurate and current information regarding members' capitated laboratory provider.

A member's capitated laboratory provider is also indicated on the front of the member's ID card. New member ID cards were mailed to HMO and POS members whose PCP's capitated laboratory provider changed as of October 1, 2017, March 1, 2018, and May 1, 2018.

Note: This change also affects members with AmeriHealth Administrators ID cards.

8. How do I change my capitated laboratory provider? (Revised 5/1/18)

To select a capitated outpatient laboratory provider other than LabCorp, please contact your Provider Partnership Associate to make changes.

9. Can non-participating laboratories waive member cost-sharing (e.g., copayments, coinsurance, deductibles)?

Such activities have long been prohibited under the federal anti-kickback laws when used in connection with federally funded programs, such as Medicaid and Medicare, which may now include Qualified Health Plans on the Federally Facilitated Marketplace. In addition, routine waiver of cost-sharing may be a violation of the Federal False Claims Act, subject to investigation by the Office of Inspector General and/or any applicable state insurance department's fraud division. Such arrangements also undermine the benefit plan by eliminating incentives created to encourage enrollees to choose to receive care within the network and to discourage overutilization of services.

About LabCorp (e.g., connectivity solutions, network)

10. Who is LabCorp? (Revised 2/1/18)

LabCorp is the second largest independent clinical laboratory company in the United States. It operates a national network of 50 primary laboratories along with a network of branches and STAT laboratories that have the ability to perform certain routine tests quickly and report results to the physician in an expedited manner.

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In addition, the company has developed a specialty testing operation through its Specialty Testing Group, including Accupath Diagnostic Laboratories, Inc., Dianon Pathology, Integrated Genetics, Integrated Oncology, Litholink, Medtox Laboratories, Monogram BioSciences, and Sequenom Center for Molecular Medicine, LLC. These specialty testing businesses provide clients with access to some of the latest developments in medical diagnostics.

Through LabCorp's broad testing menu of routine and specialty testing services, customers are provided the convenience and efficiency of a one-stop shop for laboratory support.

11. I do not currently use LabCorp. How do I contact LabCorp and how do I set up an account?

If your office does not already have an account with LabCorp and/or you would like a local LabCorp representative to help you set up an account, please email NENewaccounts@labcorp.com or call 1-888-295-5915. A LabCorp representative will assist you and your staff in the account setup process as well as visit your office to customize your test ordering and results solutions.

12. Does LabCorp offer connectivity solutions for ordering tests and receiving result information?

Yes. LabCorp offers a variety of test ordering and result delivery solutions that provide the flexibility to meet clients' needs, including several electronic options:

- **Web-based or Windows[®]-based electronic solutions:** Go to www.labcorp.com/beacon for more information.
- **Bi-directional and uni-directional interfaces:** LabCorp has established interface capabilities with more than 600 EMR (electronic medical record) and PMS (practice management software) systems.

Contact LabCorp at 1-888-295-5915 to establish your electronic interfaces.

13. Has LabCorp agreed to pick up specimens from our entire AmeriHealth New Jersey service area?

Yes, this agreement includes the entire AmeriHealth New Jersey service area. LabCorp provides courier service for specimens collected in your office. Pick-up schedules can be customized to meet your office's needs.

14. What is the size of the LabCorp network? (Revised 5/1/18)

As of May 1, 2018, the AmeriHealth New Jersey laboratory network through LabCorp provides access that is generally equivalent to the access members had with AmeriHealth New Jersey's former laboratory network (including Quest, BioReference, and Health Network). LabCorp has approximately 117 access points in the AmeriHealth New Jersey service area. LabCorp also provides lab specimen courier pick-up services for all applicable participating physician offices.

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Physicians and members can search for LabCorp Patient Service Centers (PSC) by going to www.labcorp.com and selecting *Find a Lab*. Physicians and members can find other participating local and regional laboratories by using the Find a Doctor tool on www.amerihealthnj.com or at www.ahatpa.com for your patients who carry an AmeriHealth Administrators ID card.

15. What is the most convenient LabCorp location to my office?

Physicians and members can search for LabCorp PSCs by going to www.labcorp.com and selecting *Find a Lab*.

If unable to locate a laboratory that meets their needs, physicians and members should contact LabCorp directly at 1-888-LABCORP.

16. Does LabCorp perform home draws?

Yes, LabCorp provides home draws for the entire AmeriHealth New Jersey service area. Please contact your LabCorp representative or call 1-888-295-5915 to review the ordering process for home draws. Be advised that home draws should be limited to homebound patients.

Outpatient Laboratory Provider Network

17. Is LabCorp the only in-network outpatient laboratory provider for AmeriHealth New Jersey?

No, LabCorp is not the only AmeriHealth New Jersey in-network outpatient laboratory provider. The AmeriHealth New Jersey network also includes other contracted laboratories (see the PDF available at www.amerihealth.com/pnc/lab).

18. What is AmeriHealth New Jersey doing to ensure that members have convenient access to participating outpatient laboratory providers?

As of May 1, 2018, with LabCorp as the exclusive nationally based outpatient laboratory provider, the AmeriHealth New Jersey laboratory network provides access that is generally equivalent to the access members had with the former AmeriHealth New Jersey laboratory network (including Quest, BioReference, and Health Network). LabCorp also provides lab specimen courier pick-up services for all applicable participating physician offices.

In addition to LabCorp, the AmeriHealth New Jersey network also includes other contracted specialty laboratories (see the PDF available at www.amerihealth.com/pnc/lab). Physicians and members can find a list of other participating local and regional laboratories using the Find a Doctor tool on www.amerihealthnj.com.

Physicians and members can search for LabCorp PSCs by going to www.labcorp.com and selecting *Find a Lab*.

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19. How can physicians obtain a list of the most current participating laboratories?

For your reference, we have published a list of laboratories that are in the AmeriHealth New Jersey network in addition to LabCorp. This list is available at www.amerihealth.com/pnc/lab.

To locate a participating laboratory provider, physicians can use the Find a Doctor tool at www.amerihealthnj.com or the Provider Directory through NaviNet. Physicians and members can search specifically for LabCorp PSCs by going to www.amerihealth.com/pnc/lab and selecting *Find a Lab*.

20. As a participating provider, am I required to direct members and/or their lab specimens to a participating laboratory?

Yes, your Professional Provider Agreement with AmeriHealth New Jersey requires you to direct members and/or their lab specimens to a participating laboratory, except in an Emergency, as otherwise described in the applicable Benefit Program Requirements, or as otherwise required by law. The ordering physician shall obtain preapproval before referring a member to a non-participating provider. **In the event a Provider refers a Member to a non-Participating Provider or utilizes a non-Participating Provider without Preapproval, Provider shall inform the Member in advance, in writing: (i) of the service(s) to be provided; (ii) that AmeriHealth New Jersey will not pay for or be liable for said services; and (iii) that Member will be financially liable for such services.** In the event the ordering physician does not comply with these requirements, the ordering physician shall be required to hold the Member harmless and AmeriHealth New Jersey may exercise other contractual rights it has against the ordering physician.

21. How will members be affected if they choose an out-of-network provider for laboratory services (e.g., Quest, BioReference, or Health Network)? (Revised 5/1/18)

If members choose a non-participating laboratory (including Quest, BioReference, and Health Network), then those members may be subject to higher costs or non-coverage in accordance with their benefit plan. Therefore, physicians should refer AmeriHealth New Jersey members to an in-network outpatient laboratory.

Members may be held financially responsible if they choose an out-of-network laboratory according to the following:

- **HMO and POS members.** HMO and POS members must use their capitated laboratory provider, unless the member receives a referral to another in-network laboratory provider. If members do not use their capitated or another in-network laboratory provider, members may be billed for the entire cost of the laboratory services, which can be expensive.
- **PPO members.** PPO members should use an in-network laboratory like LabCorp to maximize their benefits and save on out-of-pocket costs. PPO members may use an out-of-network laboratory (such as Quest, BioReference, or Health Network), but they will pay the out-of-network level of cost-sharing (copayment, coinsurance, deductible) and will be subject to provider balance billing.



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- **EPO members.** All routine laboratory services for EPO members must be referred to a participating laboratory. EPO members do not have out-of-network benefits.

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