



September 13, 2018

Cari Philbrick
Comprehensive Health Planner II
Office of MaineCare Services
242 State Street, 11 State House Station
Augusta, ME 04333-0011

Dear Ms. Philbrick,

Please accept this Letter of Comment regarding the **Proposed Rule: MaineCare Benefits Manual, Chapter II, Section 55, Laboratory Services.**

Although this proposed rule only adds one paragraph consisting of three relatively simple sentences, the proposal is poorly thought out and executed and will have wide ranging consequences for MaineCare members, the hospitals and laboratories that treat them, as well as the Office of MaineCare Services (OMS). The troubling proposed paragraph is as follows:

55.05-6 Prior Authorization

Some lab services require prior authorization. It is the responsibility of the provider to contact the Office of MaineCare Services to determine the necessity of a prior authorization before providing the service. Prior authorizations should be obtained by the entity seeking payment for the service, which in most cases would be the laboratory.

The existing Section 55 offers zero actual guidance in terms of indicating which types of laboratory services require prior authorization and the addition of Section 55.05-6 not only doesn't clarify anything or offer any real guidance in terms of the types of service that require prior authorization, it just states clearly that contact to some unknown entity is required to see if the services requires prior authorization.

Hospital laboratories provide an estimated 200,000 – 250,000 tests per year for MaineCare patients and it is inconceivable that contact needs to be made with the Office of MaineCare Services prior to each and every one of these tests. The administrative costs associated with this task alone are incredibly high and this doesn't even include the costs of actually filing the paperwork associated with submitting and receiving the actual prior authorization. Hospitals have very little ability to add this type of extra costs nor is it advisable for OMS to require it be done. This is especially inappropriate in a relatively obscure regulatory process such as amending a small section of the MaineCare Benefits Manual.

Presumably hospital laboratories make up only a percentage of all of the laboratories providing services to MaineCare members, so it appears that this proposed rule would require OMS to respond to hundreds and hundreds of thousands of additional contacts from laboratory providers. We simply see no way for OMS to reasonably respond to this many additional contacts in anything close to a timely fashion thereby needlessly delaying hundreds of thousands of lab tests.

This proposed change would also make providing same day laboratory services for MaineCare members virtually impossible which is a huge inconvenience and even a potential danger for these patients. Additional non-emergency travel will become an extra expense for MaineCare in addition to the expense of responding to the hundreds of thousands of additional contacts.

The problems and extra expenses will be even more pronounced and time consuming when the lab test is ordered by a provider unaffiliated with the laboratory. In most cases this will add many additional days to the schedule for MaineCare patients receiving what should be a standard lab test in most cases.

When considering whether to proceed with this proposal I request that OMS consider the following questions:

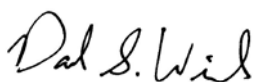
- 1) Has DHHS done an estimate of how much it will cost to accept these hundreds of thousands of additional lab contacts per year?
- 2) How quickly does OMS plan to respond to these contacts about whether a prior authorization is needed?
- 3) How does OMS plan to address the need for lab services for MaineCare patients on nights, weekends, state holidays etc. when hospital labs are providing services but when OMS is closed?

In the event that OMS has somehow determined that Laboratory Services Providers are overutilizing certain tests, of which there is no evidence in this proposal, then there are many more specific, less costly, more convenient, and more effective means of curbing that cost other than requiring a “meat axe approach” such as requiring OMS contact prior to providing any and all laboratory services to MaineCare patients.

The Office of Mainecare Services should rescind this ill-advised proposal and convene a group of Laboratory Services Providers to try and reach agreement on a much more reasonable process for laboratory prior authorization that would result in a more efficient and appropriate process for the providers, OMS and MaineCare members. The Maine Hospital Association stands ready to participate in such a process.

Thank you for the opportunity to comment on this proposed regulation and please feel free to contact me with any questions.

Sincerely,



David S. Winslow
Vice President of Financial Policy