

Oregon State Public Health Laboratory Billing Initiative

Conference of Local Health Officials October 16, 2014

The OSPHL exists to support Oregon's public health system

- Communicable disease testing for clients/patients in LHDs and community clinics
- Support for epidemiological and preparedness activities; surveillance, outbreak identification, investigation and response
- Unique testing unavailable elsewhere (rabies, botulism, CDC reference, etc.)
- Newborn screening for all infants in five states (OR, AK, ID, NM, HI)
- Regulation of clinical and environmental labs

OSPHL Expenditures* (2013-2015)

Communicable disease testing		
State GF	\$ 2,763,934	10.1%
Federal Funds	\$ 3,334,524	12.2%
Fees	\$ 2,932,190	10.7%
CD Subtotal	\$ 9,030,648	33.0%
Newborn screening		
Oregon fees	\$ 5,826,145	21.3%
Other state fees	\$11,309,575	41.3%
NBS Subtotal	\$17,135,720	62.6%
Laboratory Compliance		
Clinical lab (CLIA) federal funds	\$ 581,684	2.1%
Environmental lab fees (ORELAP)	\$ 382,379	1.5%
Substance of Abuse & HST fees	\$ 31,401	0.1%
Drinking Water Lab Certification	\$ 200,000	0.7%
Lab Compliance Subtotal	\$ 1,195,464	4.4%
OSPHL Total	\$27,400,070	100.0%

*Best estimate as of 10/13/2014

Our Situation

State and Federal funding for core CD testing is dwindling

- Appropriations are smaller and grants have shrunk or disappeared
- Administrative charge structure has changed; less funding available for services

Our current billing generates \$2,336,064 per biennium in CD testing fee revenue (mainly *Chlamydia/gonorrhea*), compared with \$2,932,190 in estimated expenditures (above).

However, we estimate that we are already providing an additional \$1,655,790 per biennium worth of CD testing that could be billed to CCOs for Medicaid payment, if we had the patient information needed for billing, and we billed for all types of testing possible. Collecting those fees from insurance (Medicaid) versus using grant funds would allow the lab to redirect grant funded services to uninsured LHD clients.

Current OSPHL financial status requires us to eliminate services, reduce timeliness, and/or increase revenue (recover our costs) in order to sustain laboratory support of statewide public health.

Our plan

- Implement a laboratory information system that will support modern operations, EMR interfaces, and billing functions (Completed 2012)
- Reform our fee structure to align with Medicaid lab fee schedule (Completed 3/1/14)
- Contract with a billing vendor (Completed 10/1/2014)
- Create electronic interfaces with key client EMRs (Two completed; OCHIN underway)
- Work with LHDs and community clinics to capture patient information needed for billing CCOs and private insurance; on paper and automatically through interfaces

Our Goals

- Sustain Public Health laboratory capacity to support local and state public health systems.
- Generate enough Medicaid revenue to cover testing costs AND to help support other core CD testing within the public health system
- Achieve sustainable, long-term funding for the OSPHL needed to maintain the critical mass necessary for an efficient and responsive laboratory
- Find greater efficiencies through automated data capture and billing processes; less staff time needed at both OSPHL and LHDs
- Appropriately reserve federal funding to provide tests for uninsured LHD clients as allowed by grants.

What we are asking from LHDs

- Support from CLHO leadership to help us implement more comprehensive billing, i.e., acquiring insurance billing information from LHDS.
- Assistance in addressing workflow and operational changes needed by LHDs to provide client payer/billing information to OSPHL

We appreciate your ongoing partnership in Oregon's public health system. OSPHL stands ready to provide training and support through the OSPHL Client Services Coordinator:

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