Issue: Direct Billing of Pathology Services

CAP Position:

The College of American Pathologists (CAP) believes payment for anatomic and clinical pathology services should be made only to the person or entity performing or supervising the service, except for referrals between laboratories independent of a physician’s office. This policy, known as “direct billing,” is consistent with American Medical Association ethics principles and has been a Medicare requirement since 1984. Direct billing helps ensure that financial considerations do not influence a physician’s choice of pathology services for their patients. Under direct billing any qualified physician who performs or directly supervises a pathology service may bill for it, the CAP believes.

Status:

The CAP, partnering with state pathology societies, has been successful in advocating enactment of direct billing requirements in 14 states since 2003. Currently, 19 states have direct billing laws. In 2012, Colorado enacted a direct billing law for anatomic pathology services. As an alternative to direct billing, some states have enacted anti-markup and disclosure laws, an alternative but less enforceable and more permissive approach to direct billing. Since 2003, one state pathology society was able to enact an anti-markup law and four states enacted disclosure requirements, with CAP’s assistance.

Background:

CAP partners with state pathology societies on issues of broad importance to the specialty of pathology, including direct billing. State societies determine whether they wish to pursue legislative initiatives within their respective states. CAP consults with state societies on a regular basis on joint advocacy initiatives. Generally, this involves joint funding of the advocacy effort and joint management of the advocacy initiative. Since 2003, the CAP and state societies have partnered and jointly funded more than 26 state pathology society direct billing initiatives.

For More Information:
Contact your state pathology president to discuss the status of direct billing legislation in your state or contact Barry Ziman at bziman@cap.org. See more info at www.cap.org.