



UTAH DEPARTMENT
OF HEALTH &
HUMAN SERVICES
*Office of Reimbursement,
Coordinated Care &
Audit*

Medicaid Reimbursement Rate Comparative
Analysis – Independent Laboratory Rates

Final
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Independent Laboratory Services Executive Summary

Independent laboratory services are services designed to perform and analyze tests on samples of biological specimens collected from patients to identify disease or other medical conditions.

Independent laboratory services assist medical professionals in diagnosing, treating, and managing patients. Utah Medicaid reimburses independent laboratory services using fee schedule rates assigned to each laboratory Current Procedural Terminology (CPT) code.

The independent laboratory services rate study compares Utah Medicaid reimbursement rates to Medicare reimbursement rates and reimbursement rates from other state Medicaid programs. Table 1 provides a high-level summary of the independent laboratory services rate study. We expand upon the details of these figures in the following sections of our report.

Table 1. Summary of Independent Laboratory Services Rate Comparison

Procedure Code	Description	Utah Medicaid Rate	Medicare Comparison		Other State Comparison	
			Medicare Rate	Utah as % of Medicare Rate	Average of Other State Medicaid Rates	Utah as % of Other State Medicaid Rates
80050	GENERAL HEALTH PANEL,AUTOMATED CHEMISTRIES,12/MORE	\$44.84			\$47.27	95%
80053	COMPREHENSIVE METABOLIC PANEL	\$8.99	\$10.56	85%	\$10.57	85%
80061	LIPID PANEL,CHOLEST,SERUM,LIPOPRO,HDL CHOLEST,ETC.	\$18.97	\$13.39	142%	\$13.06	145%
80074	ACUTE HEPATITIS PANEL	\$40.50	\$47.63	85%	\$47.29	86%
80081	OBSTETRIC PANEL	\$82.29	\$74.86	110%	\$74.64	110%
80305	DRUG TEST PRSMV DIR OPT OBS	\$11.99	\$12.60	95%	\$12.18	98%
80307	DRUG TEST PRSMV CHEM ANLYZR	\$51.50	\$62.14	83%	\$59.70	86%
81162	BRCA1&2 SEQ & FULL DUP/DEL	\$2,006.09	\$1,824.88	110%	\$1,746.56	115%
82306	CALCIFEDIOL (25-OH VIT.D-3)	\$40.37	\$29.60	136%	\$29.61	136%
82607	CYANOCOBALAMIN (VITAMIN B 12)	\$20.55	\$15.08	136%	\$14.54	141%
83036	HEMOGLOBIN; GLYCATED	\$13.23	\$9.71	136%	\$9.39	141%
83970	PARATHORMONE	\$56.29	\$41.28	136%	\$41.32	136%
84403	TESTOSTERONE, TOTAL	\$35.21	\$25.81	136%	\$25.84	136%
84443	THYROID STIM. HORMONE (TSH)	\$22.91	\$16.80	136%	\$16.76	137%
85025	BLOOD COUNT;COMPLETE,AUTOMATED & AUTO DIFF WBC CNT	\$6.66	\$7.77	86%	\$7.79	85%
86480	SENSITIVITY TEST, CAT-SCRATCH FEVER	\$69.30	\$61.98	112%	\$62.04	112%



Procedure Code	Description	Utah Medicaid Rate	Medicare Comparison		Other State Comparison	
			Medicare Rate	Utah as % of Medicare Rate	Average of Other State Medicaid Rates	Utah as % of Other State Medicaid Rates
86803	HEPATITIS C ANTIBODY;	\$18.18	\$14.27	127%	\$14.28	127%
87086	CULTURE,BACT;URINE;QUANTITATV COLONY COUNT,URINE	\$9.22	\$8.07	114%	\$7.42	124%
87340	INFECT ANTIGEN DETECT;HEPATITIS B ANTIGEN (HBSAG)	\$14.07	\$10.33	136%	\$10.34	136%
87389	HIV-1 AG W/HIV-1 & HIV-2 AB	\$19.02	\$24.08	79%	\$23.69	80%
87491	INFECT AGNT DETECT;CHLAMYDIA TRACHOMATIS,AMP PROBE	\$42.82	\$35.09	122%	\$35.13	122%
87522	INFECTIOUS AGENT DETECT;HEPATITIS C,QUANTIFICATION	\$15.03	\$42.84	35%	\$42.88	35%
87591	INFECT AGENT DETECT;NEISSERIA GONORRHOEAE,AMP PROB	\$42.82	\$35.09	122%	\$35.13	122%
87624	HPV HIGH-RISK TYPES	\$43.33	\$35.09	123%	\$34.98	124%
87902	GENOTYPE ANALYSIS(DNA OR RNA);HEPATITIS C VIRUS	\$242.98	\$257.45	94%	\$257.71	94%
Overall Average		\$119.09	\$113.18	105%	\$107.20	111%

- No record was available to the research team regarding the date the Utah Department of Health and Human Services (DHHS) last received legislative appropriation to increase laboratory rates. As the date of the last legislative appropriations change is unknown, January 1, 2010, was selected as the beginning date for the inflation calculation as this is the earliest date for which inflation factors are available in the Medicare Economic Index (MEI) used in this study. Inflation from January 1, 2010 to December 31, 2024 (midpoint of SFY 2025) is 44.98%. Inflation was calculated using the MEI published by the Centers for Medicare and Medicaid Services (CMS) and obtained from: <https://www.cms.gov/data-research/statistics-trends-and-reports/medicare-program-rates-statistics/market-basket-data>.
- The Medicare fee schedules rates were obtained from the January 2024 Medicare physician fee schedule published at: <https://www.cms.gov/medicare/payment/fee-schedules/physician/pfs-relative-value-files>.
- This table uses the average of the rates for comparable services provided in the surrounding states of Arizona, Colorado, Idaho, Nevada, New Mexico, and Wyoming, plus Kentucky and Montana. Kentucky was selected due to the availability of rates to the research team. Montana was selected due to proximity to Utah.

Based on the rate research, Utah Medicaid reimbursement for independent laboratory services is, on average, greater than Medicare reimbursement and the average reimbursement levels of the other states in the study. Utah Medicaid reimbursement rates are on average 105% of Medicare and 111% of the rates of the other states in the study.



Background

The Utah Department of Health and Human Services (DHHS), Office of Reimbursement, Coordinated Care and Audit engaged Myers and Stauffer LC (Myers and Stauffer) to review and compare Utah Medicaid reimbursement rates to certain reimbursement benchmarks, including Medicare reimbursement rates, reimbursement rates from other state Medicaid programs, or cost coverage based on provider costs of services (if available). As part of this project we have issued a series of separate reports by service category. This report provides the results for independent laboratory services. This report is accompanied by an Excel workbook titled *Utah Rate Study 2024 - Laboratory Services Exhibits* containing rate comparisons for the services analyzed.

For independent laboratory services, we compared rates by CPT code. Utah Medicaid provided a list of the top 25 laboratory CPT codes based on Medicaid expenditures. Myers and Stauffer relied on the Utah Medicaid fee schedule and the most recent publicly-available information regarding fee schedules from Medicare and the sample of other states.



Data Sources

Utah Medicaid Rate Data

The Utah Medicaid fee schedule rates in effect at July 1, 2024 were obtained for each CPT code. Utah fee schedules are posted at the following website:

<https://health.utah.gov/stplan/lookup/CoverageLookup.php>.

Inflation

No record was available to the research team regarding the date the Utah Department of Health and Human Services (DHHS) last received legislative appropriation to increase laboratory rates. As the date of the last legislative appropriations change is unknown, January 1, 2010, was selected as the beginning date for the inflation calculation as this is the earliest date for which inflation factors are available in the Medicare Economic Index (MEI) used in this study. Inflation from January 1, 2010 to December 31, 2024 (midpoint of SFY 2025) is 44.98%. Inflation was calculated using the MEI published by the Centers for Medicare and Medicaid Services (CMS) and obtained from: <https://www.cms.gov/data-research/statistics-trends-and-reports/medicare-program-rates-statistics/market-basket-data>.

Cost Data

The cost of services is not available because independent laboratory services providers are not required to report costs to either the Medicare program or to most states. Therefore, cost coverage is not included in this analysis and report.

Medicare Rates

The Medicare fee schedule rates were obtained from the January 2024 Medicare physician fee schedule published at: <https://www.cms.gov/medicare/payment/fee-schedules/physician/pfs-relative-value-files>. Medicare rates are geographically adjusted for Utah.

Surrounding States

The comparative analysis compares Utah Medicaid rates for the selected CPT codes to the reimbursement rates from eight other states (Arizona, Colorado, Idaho, Kentucky, Montana, Nevada, New Mexico, and Wyoming). Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, and Wyoming were chosen based on their proximity to Utah. Kentucky rates were used due to availability to the research team. Other state Medicaid rates are from published fee schedules obtained in November 2024.



Reimbursement Rate Comparisons

The Independent laboratory services rate comparisons are summarized in this section. These rate comparisons serve as points of reference only, providing the opportunity to identify those service categories where Utah Medicaid rates appear high or low when compared to the rates paid by Medicare and the comparison Medicaid states, where rates appear high or low as compared to rates for services in other service categories, or where rates within a service category vary significantly from one another.

The comparison of Utah rates to Medicare, inflation using the MEI since the last rate change, and a sample of other states is not intended to suggest a desired fee schedule amount or level of reimbursement. Health care payers, including Medicare and state Medicaid agencies, differ in how they determine benefits and define services, the limitations they place on services, who is eligible for the services, who the providers are that deliver the services, and numerous other factors that affect reimbursement methodologies and fees.

State legislation determines Medicaid agency budgets based on state revenues. Appropriations are authorized by the legislature and provide agencies with authority to expend funds. Therefore, state agencies are limited in amounts for reimbursement rates based on state budgets. In addition, the federal government's share of a state's expenditures through the Federal Medical Assistance Percentage (FMAP) varies by state and provides differing levels of federal support across states. Of the states included in the research sample, the highest FMAP rate for federal fiscal year 2025 is 71.68 percent for New Mexico, and the lowest is 50.00 percent for Colorado (the FMAP for Utah is 64.36 percent). Factors relating to state budgetary levels and federal financial assistance are not considered in this analysis.

It is important to consider the following limitations when comparing reimbursement rates:

- A comparison of fee schedule reimbursement rates may not provide a complete representation of reimbursement levels between Utah Medicaid, the Medicare program, and the other states in the research sample.
- Government payers maintain more detailed information about fee schedules and underlying payment policies that may not be reflected in the information obtained from published fee schedules.
- Methodologies that Medicare and state Medicaid programs use, and the resulting rates, are specific to their overall policies and economic environment, and it is important to understand there are policy decisions and unpublished context underlying the rate values. For example, a comparatively high or low Utah Medicaid rate when compared to other states may signify a rate that is updated more frequently by Utah Medicaid than the other states.



- Payment policies are often designed to address specific policy initiatives, so a Utah rate that appears higher than the comparison rate may result from a particular policy initiative designed to encourage access to or use of a particular service. Alternatively, a Utah rate that appears lower than the comparison rate may result because other states may have made targeted increases for specific services.
- The rate comparisons presented in this report did not include a comparison of underlying rate assumptions for rates from other payers or an analysis of broader economic factors, as doing so would have been outside the scope of this project. The rate comparison serves to identify where Utah Medicaid rates fall in comparison to rates from a selection of other government payers.
- Differences in rate levels may not always be meaningful; they could be due to limited sample sizes, and/or differences in payment methodologies, and/or services covered. Additional research may be necessary to understand these variations.
- The rate comparison was limited in scope to comparing reimbursement rates. The comparison study and this report make no conclusions regarding the sufficiency of Utah Medicaid reimbursement rates, or recommendations that Utah Medicaid take any specific action. Information is presented for comparison purposes only.

Comparisons to Medicare

We calculated two comparison rates to compare to Utah Medicaid rates. The first comparison rate is the Medicare rate, geographically adjusted to Utah. As shown in Table 2, for the comparison CPT codes, Utah Medicaid rates are an average of 105 percent of the Medicare rates for Utah. The highest rate is 142 percent of the Medicare rate, and the lowest rate is 35 percent of the Medicare rate.

Table 2. Independent Laboratory Services Rate Comparison to Medicare

Procedure Code	Description	Utah Medicaid Rate	Medicare Rate	Utah as % of Medicare Rate
80050	GENERAL HEALTH PANEL,AUTOMATED CHEMISTRIES,12/MORE	\$44.84		
80053	COMPREHENSIVE METABOLIC PANEL	\$8.99	\$10.56	85%
80061	LIPID PANEL,CHOLEST,SERUM,LIPOPRO,HDL CHOLEST,ETC.	\$18.97	\$13.39	142%
80074	ACUTE HEPATITIS PANEL	\$40.50	\$47.63	85%
80081	OBSTETRIC PANEL	\$82.29	\$74.86	110%
80305	DRUG TEST PRSMV DIR OPT OBS	\$11.99	\$12.60	95%
80307	DRUG TEST PRSMV CHEM ANLYZR	\$51.50	\$62.14	83%
81162	BRCA1&2 SEQ & FULL DUP/DEL	\$2,006.09	\$1,824.88	110%



Procedure Code	Description	Utah Medicaid Rate	Medicare Rate	Utah as % of Medicare Rate
82306	CALCIFEDIOL (25-OH VIT.D-3)	\$40.37	\$29.60	136%
82607	CYANOCOBALAMIN (VITAMIN B 12)	\$20.55	\$15.08	136%
83036	HEMOGLOBIN; GLYCATED	\$13.23	\$9.71	136%
83970	PARATHORMONE	\$56.29	\$41.28	136%
84403	TESTOSTERONE, TOTAL	\$35.21	\$25.81	136%
84443	THYROID STIM. HORMONE (TSH)	\$22.91	\$16.80	136%
85025	BLOOD COUNT;COMPLETE,AUTOMATED & AUTO DIFF WBC CNT	\$6.66	\$7.77	86%
86480	SENSITIVITY TEST, CAT-SCRATCH FEVER	\$69.30	\$61.98	112%
86803	HEPATITIS C ANTIBODY;	\$18.18	\$14.27	127%
87086	CULTURE,BACT;URINE;QUANTITATV COLONY COUNT,URINE	\$9.22	\$8.07	114%
87340	INFECT ANTIGEN DETECT;HEPATITIS B ANTIGEN (HBSAG)	\$14.07	\$10.33	136%
87389	HIV-1 AG W/HIV-1 & HIV-2 AB	\$19.02	\$24.08	79%
87491	INFECT AGNT DETECT;CHLAMYDIA TRACHOMATIS,AMP PROBE	\$42.82	\$35.09	122%
87522	INFECTIOUS AGENT DETECT;HEPATITIS C,QUANTIFICATION	\$15.03	\$42.84	35%
87591	INFECT AGENT DETECT;NEISSERIA GONORRHOEAE,AMP PROB	\$42.82	\$35.09	122%
87624	HPV HIGH-RISK TYPES	\$43.33	\$35.09	123%
87902	GENOTYPE ANALYSIS(DNA OR RNA);HEPATITIS C VIRUS	\$242.98	\$257.45	94%
Overall Average		\$119.09	\$113.18	105%

Comparisons to Surrounding States

The second comparison rate is the average state Medicaid rate of the comparison states. For the comparison CPT codes, Utah Medicaid rates are an average of 111 percent of the other state rates, with the highest rate at 145 percent, and the lowest rate at 35 percent.

Table 3. Independent Laboratory Services Rate Comparison to Other States

Procedure Code	Description	Utah Medicaid Rate	Average of Other State Medicaid Rates	Utah as % of Other State Medicaid Rates
80050	GENERAL HEALTH PANEL,AUTOMATED CHEMISTRIES,12/MORE	\$44.84	\$47.27	95%
80053	COMPREHENSIVE METABOLIC PANEL	\$8.99	\$10.57	85%
80061	LIPID PANEL,CHOLEST,SERUM,LIPOPRO,HDL CHOLEST,ETC.	\$18.97	\$13.06	145%



Procedure Code	Description	Utah Medicaid Rate	Average of Other State Medicaid Rates	Utah as % of Other State Medicaid Rates
80074	ACUTE HEPATITIS PANEL	\$40.50	\$47.29	86%
80081	OBSTETRIC PANEL	\$82.29	\$74.64	110%
80305	DRUG TEST PRSMV DIR OPT OBS	\$11.99	\$12.18	98%
80307	DRUG TEST PRSMV CHEM ANLYZR	\$51.50	\$59.70	86%
81162	BRCA1&2 SEQ & FULL DUP/DEL	\$2,006.09	\$1,746.56	115%
82306	CALCIFEDIOL (25-OH VIT.D-3)	\$40.37	\$29.61	136%
82607	CYANOCOBALAMIN (VITAMIN B 12)	\$20.55	\$14.54	141%
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87340	INFECT ANTIGEN DETECT;HEPATITIS B ANTIGEN (HBSAG)	\$14.07	\$10.34	136%
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87902	GENOTYPE ANALYSIS(DNA OR RNA);HEPATITIS C VIRUS	\$242.98	\$257.71	94%
Overall Average		\$119.09	\$107.20	111%

Our supporting Excel file provides data for these comparisons, including each of the tables in this report. The supporting Excel file also contains a table showing the individual rates for each comparison state as well as the highest and lowest other state rate.