\rightarrow *Moving Forward* \rightarrow Adopting one ID for every uniquely offered genetic test

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INDUSTRY STANDARD FOR IDENTIFYING GENETIC TESTS

Solving the issue for all stakeholders

In precision medicine today procedure codes do not adequately describe and distinguish genetic tests. This ambiguity leads to manual reviews, incorrect payment or denial of genetic testing services for health plans, and limited abilities to determine economic and clinical utility by data analysts. The industry adoption of a genetic test identifier standard to complement the procedure codes would eliminate the ambiguity, reduce administrative work/cost and expand patients access to genetic testing and precision therapies. Health plans, labs, and healthcare delivery systems should come together to work through the X12 standards process to adopt, pilot, and implement the <u>Genetic Testing Unit (GTU)</u> standard.

Issue 1: for Health Plans

- Determining if the test is clinically appropriate for the patient
- Significant differences in test coverage between health plans
- No standardized pre-auth and billing policies for genetic testing
- Labs with their own test codes

Issue 2: for Healthcare Delivery

- Determining if the test is clinically appropriate for the patient
- Communicating to the health plan which test the provider wants to order and bill
- Non-specific test codes in lab result databases make it difficult to perform utilization analysis
- Missing benefit of test economic analysis in partnership with insurers

Industry Challenges to Resolve:

- CPT/HCPCS has about 670 codes for over 175,000 Tier 1 tests
- Over 50 specific Tier 2 genetic tests belong under CPT code 81401 (Molecular Pathology Procedure)
- Advancing the quality and volume of genetic test assessments and medical necessity policies
- Standard needed to advance genetic-based clinical decision support

ASC X12 837 Proposal

- Authorize use of the K3 segment on the 837P claim transaction for the GTU genetic test identifier, complementing the most appropriate HCPCS code(s)
- Engage X12 EDI standards development about authorizing use of segments on other X12 health care transactions (e.g. 278 referral/auth, 835 remittance)

GTU Adoption Outlook

- Concert Genetics has made the <u>GTU</u> <u>available for use royalty-free</u>, and will license it for derivative works
- All key requirements and criteria are met by the GTU standard
- Some payors using GTU now
- GTU is compatible with existing integration methods and systems
- GTU does not conflict with other classification and identification systems already in use
- IDs assigned as fast as new tests are launched to the market

Link to the source blog post

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Executive Highlights

An industry standard genetic test identifier will solve many authorization, billing and reimbursement problems, including CMS

This standard will enable automation of clinical and administrative processes in expanded multi-omic testing

Supports finding equivalent genetic tests that have better insurance coverage

Reduces wasteful time and effort for genetic counselors

Contributes to the utility of family testing

Will enable resource reallocation from administration to care delivery

Opportunity for innovative partnerships within the insurance, laboratory, and healthcare industry

Enables innovative AI applications