State of New Jersey
Department of Human Services
Division of Medical Assistance & Health Services

NEWSLETTER

Volume 36 No. 08 **August 2026**

TO: Providers of Laboratory Services, Independent Clinics, FQHCs, Physicians and Advance Practice Nurses - **For Action**
Health Maintenance Organizations - **For Action**

SUBJECT: Changes to Presumptive and Definitive Drug Testing Policy and Billing Procedures

This Newsletter Replaces Volume 31 No. 11

EFFECTIVE: Claims processed on or after April 1, 2021

PURPOSE: To inform of policy and billing procedure revisions related to Presumptive Drug Screening and Definitive Drug Testing.

BACKGROUND: As part of its oversight of the Medicaid/NJ FamilyCare program, the New Jersey Office of the State Comptroller, Medicaid Fraud Division (OSC) completed its review of Medicaid claims for presumptive drug screens and definitive drug test claims submitted by independent clinical laboratories. This review identified inappropriate billing practices and the need for the Medicaid/NJ FamilyCare Program to change State policy to ensure appropriate billing of these services by physician offices, independent clinics and independent laboratories that provide drug and alcohol-related services to Medicaid/NJ FamilyCare fee-for-service beneficiaries.

ACTION: **Effective for claims processed on or after April 1, 2021,** the following changes to policy and billing procedures for presumptive drug screening and definitive drug testing shall be implemented by the Medicaid/NJ FamilyCare Program for Fee-For-Service (FFS) and managed care claims.

Please note, as of July 1, 2026, substance use presumptive and definitive laboratory testing will be reimbursed by the member's managed care plan. For those members not yet enrolled under managed care, claims shall continue to be submitted to FFS Medicaid through Gainwell.

Procedure Code	Description	Drug Test Type	Procedure Code Billing Status	Servicing Provider Type
G0434	Drug Screen, Multiple Drug Classes, Other Than Chromographic		**Terminated**	
G0434 HF*	Drug Screen, Multiple Drug Classes, Other Than Chromographic		**Terminated**	
G0434 QW	Drug Screen, Multiple Drug Classes, Other Than Chromographic (CLIA Waived)		**Terminated**	
G0480	Drug Tests Definitive Utilizing Drug Identification Methods	Definitive Drug Test	**No Change**	Any Authorized Provider
G0480 HF	Drug Tests Definitive Utilizing Drug Identification Methods	Definitive Drug Test	**No Change**	SUD Outpatient Treatment Providers Only
G0481	Drug Tests Definitive Utilizing Drug Identification Methods	Definitive Drug Test	**Re-approved**	Any Authorized Provider
G0481HF	Drug Tests Definitive Utilizing Drug Identification Methods	Definitive Drug Test	**New Procedure Code**	SUD Outpatient Treatment Providers Only

Procedure Code	Description	Drug Test Type	Procedure Code Billing Status	Servicing Provider Type
G0482	Drug Test(s), Definitive, Utilizing Drug Identification Methods		**Terminated**	
G0483	Drug Test(s), Definitive, Utilizing Drug Identification Methods		**Terminated**	
80102	Drug Confirmation Each Procedure		**Terminated**	
80102 HF	Drug Confirmation Each Procedure		**Terminated**	
80104	Drug Screen, Qualitative, Multiple Drug		**Terminated**	
80104HF	Drug Screen, Qualitative, Multiple Drug		**Terminated**	
80104 QW	Drug Screen, Qualitative, Multiple Drug (CLIA Waived)		**Terminated**	
80305	Drug Test Presumptive Direct Optical Observation	Presumptive Drug Test	**No Change**	Any Authorized Provider
80305 HF	Drug Test Presumptive Direct Optical Observation	Presumptive Drug Test	**No Change**	SUD Outpatient Treatment Providers Only
80306	Drug Test Presumptive Instrumentation	Presumptive Drug Test	**No Change**	Any Authorized Provider

Procedure Code	Description	Drug Test Type	Procedure Code Billing Status	Servicing Provider Type
80306 HF	Drug Test Presumptive Instrumentation	Presumptive Drug Test	**No Change**	SUD Outpatient Treatment Providers Only
80307	Drug Test Presumptive by Instrument Chemistry Analyzer	Presumptive Drug Test	**No Change**	Any Authorized Provider
80307 HF	Drug Test Presumptive by Instrument Chemistry Analyzer	Presumptive Drug Test	**No Change**	SUD Outpatient Treatment Providers Only

Modifier "HF" indicates substance use program

- **Presumptive drug testing** is not limited by the number of drug classes performed per date of encounter. For this service, no more than one (1) encounter may be billed per date of service and no more than ten (10) patient encounters may be billed per rolling 28 days.

- Claims billed by independent labs for a **definitive drug test** shall be denied payment when a previously paid claim for a presumptive drug test is not found for the same date of service or within seven (7) days prior to the date of service. The definitive drug test does not have to be the same drug class tested in the presumptive test but must meet the criteria for definitive testing below.

- Definitive testing should **NOT** be routinely performed as a reflex test to confirm positive presumptive tests. Instead, standing orders may be utilized for defined clinical situations. Definitive tests should only be completed when:

    - Patient disputes the findings of a presumptive test and/or the result is not supported by the clinical situation.
    - A provider wants to detect a specific substance, and no presumptive test is available.
    - The substance is not adequately identified by presumptive methods (e.g. heroin rather than opiates).

- The results will inform a decision with major clinical or non-clinical implications for the patient (e.g. treatment transition, changes in medication therapies, changes in legal status).

- Post-payment audits shall be conducted to monitor inappropriate billing practices.

- **Definitive drug testing** (G0480, G4081 and G0480HF. G0481HF) allow one (1) to seven (7) or eight (8) to fourteen (14) drug classes respectively; to be tested per date of service and no more than two (2) patient encounters may be billed per rolling 28 days.

- CPT procedure codes 84311, 83986, 82570, 83789, 84315 when billed by independent labs for outpatient treatment programs with the same service date as CPT procedure codes 80305, 80305 HF, 80306, 80306 HF, 80307, 80307 HF, G0480, G0480 HF, G0481 and G0481HF shall be denied payment.

- **Specimen validity testing not covered:**
  - 84311 Spectrophotometry, analyte not elsewhere specified
  - 83986 Ph body fluid, not otherwise specified
  - 82570 Assay Urine creatinine
  - 83789 Mass spectrometry qualitative/quantitative

- **Specimen validity testing** is included in the following codes:
  - **Presumptive drug test:** 80305, 80306, 80307, 80305 HF, 80306 HF, 80307 HF
  - **Definitive drug test:** G0480, G0480 HF, G0481, G0481HF

Laboratory testing completed under "blanket orders", as defined below, are not covered by the Medicaid/NJ FamilyCare Program.

- "**Blanket orders**" are defined as test orders that are identical for all patients and are not based on patient specific conditions. Orders must be based on clinical guidelines that are patient specific.

"Standing orders" are allowed by the Medicaid/NJ FamilyCare program provided there is compliance with the definition described below.

- "**Standing orders**" are written orders based on evidence-based protocols that authorize follow-up studies on a regular or as needed basis without having to first obtain a separate physician order. Standing orders are activated when a predetermined event identified within the order is met. Standing orders should be patient-specific, updated or re-authorized annually, or when determined medically necessary, and be related to the patient's diagnosis and specific to the patient's

condition and needs. Standing orders shall not be effective longer than a 12-month period from the date of the physician's/practitioner's order.

If you have any policy questions regarding this Newsletter, please contact the Division of Medical Assistance and Health Services, Office of the Medical Director, at 609-588-2739. If you have any billing questions, please contact Gainwell Technologies Provider Services at 1-800-776-6334.

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