

NEW POLICY UPDATES EFFECTIVE MARCH 27, 2018

CLINICAL PAYMENT AND CODING POLICY CHANGES

On a regular basis as needed we update our clinical, payment and coding policy positions as part of our ongoing policy review process. As a result of that review process, please see the chart below which lists the upcoming new policies which are effective March 27, 2018.

Please direct any questions regarding this change to your Provider Relations rep or by calling Provider Relations at 1-866-638-1232, option 3, then 5.

Effective for dates of service beginning March 27, 2018:

Bundled Facility Payment Policy-Pre-Admission Outpatient Services Treated as Inpatient Services -

According to CMS policy, outpatient services provided on the date of inpatient admission are included in the Inpatient payment when provided by the same admitting hospital. This includes all services with the exception of ambulance.

Bundled Facility Payment Policy-Outpatient Services Treated as Inpatient Services-According to

CMS policy, services provided by an outpatient hospital during an inpatient admission are not separately billable as they are included in the inpatient facility payment.

Bundled Facility Payment Policy- Pre-Admission Outpatient Services Treated as Inpatient Services (3-Day Window Payment Policy) -

According to CMS policy, outpatient services provided on either the date of inpatient admission or during the three calendar days immediately preceding the date of inpatient admission are included in the Inpatient payment when provided by the same admitting hospital. Outpatient non-diagnostic services (other than ambulance services), provided by the admitting hospital within three calendar days prior to an inpatient admission are considered related to the admission, unless the hospital attests that the non-diagnostic services are unrelated to the hospital admission.

Self-Administered Drugs- According to our policy, which is based on CMS Policy, coverage for drugs that are furnished 'incident to' a physician's service is allowed provided that the drugs are not usually self-administered by the patients who take them. For certain injectable drugs, it will be apparent due to the nature of the condition(s) for which they are administered or the usual course of treatment for those conditions if they are, or are not, usually self-administered.

Arthroscopic Lavage and Debridement for the Osteoarthritic Knee- According to CMS policy, the clinical effectiveness of arthroscopic lavage or arthroscopic debridement for the severely osteoarthritic knee has not been verified by scientifically controlled studies. After thorough discussions with clinical investigators, the orthopedic community, and other interested parties, CMS

determined that the following procedures are not considered reasonable or necessary in treatment of the osteoarthritic knee and are not covered by the Medicare/Medicaid program:

- Arthroscopic lavage used alone for the osteoarthritic knee;
- Arthroscopic debridement for osteoarthritic patients presenting with knee pain only; or,
- Arthroscopic debridement and lavage with or without debridement for patients presenting with severe osteoarthritis (Severe osteoarthritis is defined in the Outerbridge classification scale, grades III and IV. Outerbridge is the most commonly used clinical scale that classifies the severity of joint degeneration of the knee by compartments and grades. Grade I is defined as softening or blistering of joint cartilage. Grade II is defined as fragmentation or fissuring in an area <1 cm. Grade III presents clinically with cartilage fragmentation or fissuring in an area >1 cm. Grade IV refers to cartilage erosion down to the bone. Grades III and IV are characteristic of severe osteoarthritis.)

Lung Cancer Screening with Low Dose Computed Tomography (LDCT)- According to CMS policy, the counseling visit to discuss the need for lung cancer screening with low dose computed tomography (LDCT) or the screening for lung cancer with LDCT are appropriately performed for patients with either a personal history of tobacco use/personal history of nicotine dependence or nicotine dependence-cigarettes.

Neurology Policy-

Ambulatory or 24-hour EEG Monitoring-According to CMS policy, ambulatory or 24-hour EEG monitoring (95950, 95951, 95953 or 95956) is appropriate for diagnoses such as seizure disorders, meningococcal encephalitis or unspecified coma.

Neurophysiology Evoked Potential (NEP) Studies-Brainstem Auditory Evoked Potentials and Responses (BAEPs/BAERs)- BAEPs/BAERs use an acoustic transducer inside an earphone or headphones to measure the brain wave activity from the ears through the brain stem that occurs in response to clicks or certain tones.

According to CMS policy, brainstem auditory evoked potential and response (BAEP/BAER) testing should be reported with an appropriate diagnosis (for example, evaluation of acoustic neuroma or unilateral tinnitus).

Somatosensory Evoked Potentials/Responses (SEPs/SERs)- SEPS/SERs use small electrical pulses to test the pathways through the limbs and spine to the brain. According to CMS policy, somatosensory evoked potential and response (SEP/SER) testing is appropriate to evaluate coma, degenerative non-traumatic spinal cord lesions, hereditary spastic paraplegia, intraoperative monitoring, multiple sclerosis, myoclonus, other diseases of myelin, spinal cord trauma, spinocerebellar degeneration, subacute combined degeneration, and syringomyelia.