

Surgical Site of Service – Hospital Outpatient

Effective: November 1, 2022

Next Review: July 2023

Last Review: November 2022

IMPORTANT REMINDER

Medical Policies are developed to provide guidance for members and providers regarding coverage in accordance with contract terms. Benefit determinations are based in all cases on the applicable contract language. To the extent there may be any conflict between the Medical Policy and contract language, the contract language takes precedence.

PLEASE NOTE: Contracts exclude from coverage, among other things, services or procedures that are considered investigational or cosmetic. Providers may bill members for services or procedures that are considered investigational or cosmetic. Providers are encouraged to inform members before rendering such services that the members are likely to be financially responsible for the cost of these services.

DESCRIPTION

An ambulatory surgery center (ASC) is a health care facility which offers same-day surgery services outside the hospital setting. An ASC is a surgical facility that does not have inpatient beds, and the entity may or may not be sponsored by a hospital. An individual's health status is considered when determining the appropriateness for the site of service among other factors including facility and geographic availability, specialty requirements, and physician privileges.

MEDICAL POLICY CRITERIA

Notes:

- This policy does not address procedures performed in an ambulatory surgery center, physician office, or emergency facility for urgent services.
- This policy addresses prior authorization for site of service only. The procedure may require prior authorization separately (see applicable Medical Policy).
- For coverage of a procedure in a hospital outpatient department, in addition to meeting the criteria in this medical policy, the type of service being performed must be considered medically necessary per prior authorization review requirements and the applicable medical policy OR the health plan does not require prior authorization for the service being performed.

- I. The use of a hospital outpatient department instead of an ambulatory surgery center or physician office for surgical services may be considered **medically necessary** when one or more of the following Criteria is met:
 - A. There is no qualifying ambulatory surgery center within 25 miles that can provide the necessary care for the patient due to one of the following:
 - 1. There is no geographically accessible ambulatory surgical center that has the necessary equipment for the procedure; or
 - 2. There is no geographically accessible ambulatory surgical center available at which the individual's physician has privileges; or
 - 3. An ASC's specific guideline regarding the individual's weight or health conditions prevents the use of an ASC;
 - B. Age 17 years and younger;
 - C. The service being performed is in conjunction with an additional service that requires the use of a hospital outpatient department and they are being performed in the same operative session;
 - D. American Society of Anesthesiologists (ASA) Physical Status (PS) Classification III or higher (see Policy Guidelines);
 - E. Body mass index (BMI) is over 40;
 - F. Bleeding disorder requiring replacement factor or special infusion products to correct a coagulation defect;
 - G. Transfusion anticipated;
 - H. Clinical documentation that cardiovascular risk is increased, including but not limited to any of the following situations:
 - 1. Cardiac arrhythmia (symptomatic arrhythmia despite medication)
 - 2. Coronary artery disease (CAD)
 - 3. Drug eluting stents (DES) placed within one year or bare metal stents (BMS) or plain angioplasty within 90 days
 - 4. History of cerebrovascular accident (CVA) or transient ischemic attack (TIA)
 - 5. History of myocardial infarction (MI)
 - 6. Implantable cardioverter-defibrillator (ICD)
 - 7. Implanted pacemaker
 - 8. Mechanical cardiovascular support (e.g., left ventricular assist device [LVAD] or total artificial heart)
 - 9. Peripheral vascular disease (PVD)
 - 10. Ongoing evidence of myocardial ischemia
 - 11. Resistant hypertension
 - 12. Uncompensated chronic heart failure (CHF) (NYHA class III or IV)
 - 13. Valvular heart disease, moderate or severe

- I. Prolonged surgery (> 3 hours);
 - J. Advanced liver disease (Model for End-Stage Liver Disease [MELD] Score > 8);
 - K. Alcohol dependence with risk for withdrawal syndrome;
 - L. Diabetes, when uncontrolled with recurrent diabetic ketoacidosis (DKA) or severe hypoglycemia;
 - M. End stage renal disease (ESRD), Stage 4 or 5 chronic kidney disease;
 - N. Incompletely treated skin or wound infection;
 - O. Pregnancy;
 - P. Cognitive status documentation warranting use of a hospital outpatient department;
 - Q. Pulmonary risk is increased, including but not limited to:
 - 1. Active respiratory infection
 - 2. Chronic obstructive pulmonary disease (COPD) (FEV1 < 50%)
 - 3. Medical conditions that are commonly connected with difficult airway (e.g., Pierre-Robin, Treacher-Collins, Goldenhar's Syndrome, and Epidermolysis Bullosa)
 - 4. Poorly controlled asthma (FEV1 < 80% despite medical management)
 - 5. Sleep apnea (moderate to severe Obstructive Sleep Apnea (OSA))
 - R. Personal history or family history of complication of anesthesia such as malignant hyperthermia;
 - S. Recent history of drug abuse;
 - T. History of total joint infection;
 - U. Transplant patients;
 - V. Provider documents a requirement for overnight recovery based on a unique circumstance for the individual.
- II. The use of a hospital outpatient department for surgical services instead of an ambulatory surgery center or physician office is considered **not medically necessary** when Criteria I. is not met.

NOTE: A summary of the supporting rationale for the policy criteria is at the end of the policy.

POLICY GUIDELINES

Site of service medical necessity reviews will be conducted for surgical procedures on the Codes list provided in this policy only when performed in an outpatient hospital setting.

AMERICAN SOCIETY OF ANESTHESIOLOGISTS (ASA) PHYSICAL STATUS CLASSIFICATION SYSTEM^[1]

ASA PS Classification	Definition	Adult Examples, including but not limited to:
ASA I	A normal healthy patient	Healthy, non-smoking, no or minimal alcohol use
ASA II	A patient with mild systemic disease	Mild diseases only without substantive functional limitations. Current smoker, social alcohol drinker, pregnancy, obesity (30 < BMI < 40), well-controlled DM/HTN, mild lung disease
ASA III	A patient with severe systemic disease	Substantive functional limitations; One or more moderate to severe diseases. Poorly controlled DM or HTN, COPD, morbid obesity (BMI ≥40), active hepatitis, alcohol dependence or abuse, implanted pacemaker, moderate reduction of ejection fraction, ESRD undergoing regularly scheduled dialysis, premature infant PCA < 60 weeks, history (>3 months) of MI, CVA, TIA, or CAD/stents.
ASA IV	A patient with severe systemic disease that is a constant threat to life	Recent (< 3 months) MI, CVA, TIA, or CAD/stents, ongoing cardiac ischemia or severe valve dysfunction, severe reduction of ejection fraction, sepsis, DIC, ARD or ESRD not undergoing regularly scheduled dialysis
ASA V	A moribund patient who is not expected to survive without the operation	Ruptured abdominal/thoracic aneurysm, massive trauma, intracranial bleed with mass effect, ischemic bowel in the face of significant cardiac pathology or multiple organ/system dysfunction
ASA VI	A declared brain-dead patient whose organs are being removed for donor purposes	

*The addition of "E" denotes Emergency surgery: (An emergency is defined as existing when delay in treatment of the patient would lead to a significant increase in the threat to life or body part)

LIST OF INFORMATION NEEDED FOR REVIEW

REQUIRED DOCUMENTATION:

The information below **must** be submitted for review to determine whether policy criteria are met. If any of these items are not submitted, it could impact our review and decision outcome.

- History and physical/chart notes
- American Society of Anesthesiologists (ASA) score, as applicable
- Clinical documentation for specific policy criteria (refer to the Policy Criteria) that qualifies the individual for the site of service requested
- For specific services requiring prior authorization in addition to the site of service, submission of the applicable medical policy clinical documentation required for review

CROSS REFERENCES

1. [Medicine Policy Section](#), Medical Policy Manual Index
2. [Radiology Policy Section](#), Medical Policy Manual Index
3. [Surgery Policy Section](#), Medical Policy Manual Index

BACKGROUND

An ambulatory surgery center (ASC) is a health care facility which offers same-day surgery services outside the hospital setting. An ASC is a surgical facility that does not have inpatient beds, and the entity may or may not be sponsored by a hospital.

An individual's health status is considered when determining the appropriateness for the site of service among other factors including facility and geographic availability, specialty requirements, and physician privileges. The American Society of Anesthesiologist (ASA) physical status classification system (see Appendix I), and/or significant comorbidities may be taken into account.^[1] The ASA risk scoring system is regarded by hospitals, legal firms, accrediting bodies, and other healthcare groups as a preoperative health grading system for individuals undergoing a surgical procedure. For example, individuals with ASA I-II status might be appropriate candidates for ASC care, though ASA III and above may not. Significant comorbidities may include but are not limited to significant cardiorespiratory condition (e.g., recent myocardial infarction, cardiac arrhythmia, and myocardial ischemia), moderate-to-severe obstructive sleep apnea, pregnancy, and poorly controlled asthma.

PRACTICE GUIDELINE SUMMARY

AMERICAN SOCIETY OF ANESTHESIOLOGISTS

The American Society of Anesthesiologists (ASA) maintains a Physical Status Classification System with definitions and ASA-approved examples (reproduced in Appendix I).^[1] This system is intended to be used in conjunction with other factors to aid in predicting perioperative risks. The system was originally proposed in 1942, and the current version was published in 2014 with the inclusion of examples, and was most recently updated in 2020.

SUMMARY

The use of a hospital outpatient department instead of an ambulatory surgical center (ASC) for surgical services may be considered medically necessary when the procedure is of a level of complexity such that it may not be performed in a less intensive setting, the service being performed is medically necessary, and the surgical site of service policy criteria are met.

The use of a hospital outpatient department instead of an ambulatory surgical center (ASC) for surgical services is not medically necessary when the policy criteria are not met including when the procedure can be safely performed in a less intensive setting, the specific service requires prior authorization and does not meet applicable policy criteria, or the surgical site of service policy criteria are not met.

REFERENCES

1. American Society of Anesthesiologists (ASA) Physical Status Classification System. Last amended: December 13, 2020. [cited 07/18/2022]. 'Available from:' <https://www.asahq.org/resources/clinical-information/asa-physical-status-classification-system>.

CODES

NOTE: Site of service medical necessity reviews will be conducted for surgical procedures on the Codes list below only when performed in an outpatient hospital setting.

Codes	Number	Description
CPT	45378	Colonoscopy, flexible; diagnostic, including collection of specimen(s) by brushing or washing, when performed (separate procedure)
	45379	Colonoscopy, flexible; with removal of foreign body(s)
	45380	Colonoscopy, flexible; with biopsy, single or multiple
	45381	Colonoscopy, flexible; with directed submucosal injection(s), any substance
	45384	Colonoscopy, flexible; with removal of tumor(s), polyp(s), or other lesion(s) by hot biopsy forceps
	45385	Colonoscopy, flexible; with removal of tumor(s), polyp(s), or other lesion(s) by snare technique
	45386	Colonoscopy, flexible; with transendoscopic balloon dilation
	45390	Colonoscopy, flexible; with endoscopic mucosal resection
	45398	Colonoscopy, flexible; with band ligation(s) (e.g., hemorrhoids)
	43235	Esophagogastroduodenoscopy, flexible, transoral; diagnostic, including collection of specimen(s) by brushing or washing, when performed (separate procedure)
	43237	Esophagogastroduodenoscopy, flexible, transoral; with endoscopic ultrasound examination limited to the esophagus, stomach or duodenum, and adjacent structures
	43238	Esophagogastroduodenoscopy, flexible, transoral; with transendoscopic ultrasound-guided intramural or transmural fine needle aspiration/biopsy(s), (includes endoscopic ultrasound examination limited to the esophagus, stomach or duodenum, and adjacent structures)
	43239	Esophagogastroduodenoscopy, flexible, transoral; with biopsy, single or multiple
	43242	Esophagogastroduodenoscopy, flexible, transoral; with transendoscopic ultrasound-guided intramural or transmural fine needle aspiration/biopsy(s) (includes endoscopic ultrasound examination of the esophagus, stomach, and either the duodenum or a surgically altered stomach where the jejunum is examined distal to the anastomosis)
	43245	Esophagogastroduodenoscopy, flexible, transoral; with dilation of gastric/duodenal stricture(s) (e.g., balloon, bougie)
	43246	Esophagogastroduodenoscopy, flexible, transoral; with directed placement of percutaneous gastrostomy tube
	43247	Esophagogastroduodenoscopy, flexible, transoral; with removal of foreign body(s)
	43248	Esophagogastroduodenoscopy, flexible, transoral; with insertion of guide wire followed by passage of dilator(s) through esophagus over guide wire
	43249	Esophagogastroduodenoscopy, flexible, transoral; with transendoscopic balloon dilation of esophagus (less than 30 mm diameter)
	43250	Esophagogastroduodenoscopy, flexible, transoral; with removal of tumor(s), polyp(s), or other lesion(s) by hot biopsy forceps
	43251	Esophagogastroduodenoscopy, flexible, transoral; with removal of tumor(s), polyp(s), or other lesion(s) by snare technique
	43254	Esophagogastroduodenoscopy, flexible, transoral; with endoscopic mucosal resection
HCPCS	None	

Date of Origin: July 2022