



# Ambulatory Surgery – Professional Payment Policy

(Same-day surgical procedures)

## **Policy**

FCHP reimburses medically necessary professional surgical services provided in either an Outpatient Surgical Service (Non-ASC) or an ASC-designated facility.

## **Definition**

**Outpatient Surgical Services or ACS (Ambulatory Care Services)** provide surgical services that typically do not require an overnight stay. These services may include pain management and certain diagnostic services that can be performed in an outpatient setting. These services are billed utilizing CPT surgical codes. Providers are reimbursed subject to all FCHP outpatient billing and payment, bundling and global package rules. FCHP refers to an SDS procedures listing (e.g., surgical day services) to identify surgical services that are covered. Additionally, outpatient surgical services are defined as major or minor. Major surgical services typically have a 90-day post-op period and minor surgeries have either a 0- or 10-day post-op global period.

## **Benefits application**

### **Commercial**

- FCHP Direct Care/FCHP Select Care
- Commonwealth Care
- Companion Care
- FCHP MassHealth
- Major Medical
- Fallon Preferred Care

### **Senior Plan**

- Fallon Senior Plan™
- Fallon Senior Plan Preferred

## **Reimbursement**

FCHP *does not reimburse* for ambulatory surgical day procedures if they are deemed:

- Not medically necessary
- Those services that require pre-authorization by the Plan when authorization was not obtained.

FCHP *does reimburse* for outpatient/ambulatory surgery/significant procedures as per contractual agreement.

FCHP requires operative notes for claims submitted for \$1,000 and over.

## **Referral/notification/preauthorization requirements**

Preauthorization is required for select ambulatory/same-day surgical procedures and/or services. Please utilize the pre-authorization tool found on the FCHP Web site to determine if a procedure requires pre-authorization.

## Billing/coding guidelines

### *Two providers – same surgery*

- If one physician performs the surgery and another renders the post-op care they can each bill with appropriate modifiers affixed to the claim.

### *Bundled services*

- When a procedure is considered to be a component of a more comprehensive procedure only the comprehensive procedure/service will be reimbursed.

### *Multiple surgical services*

- When multiple surgical services are performed at the same session, the primary procedure is reimbursed at 100% of the contracted allowable rate and all subsequent reimbursable procedures are paid at 50% of the allowable rate up to 5, or pursuant to contractual agreement.

### *Bilateral surgeries*

- Bilateral surgeries are typically reimbursed at 150% of the contracted allowable rate for the second procedure when billed on one line with the -50 modifier appended to the procedure code. Special situations occasionally apply when other reimbursement will be paid.

### *Add-on codes*

- Add-on codes are reimbursed at 100% of the contracted allowable rate and are NOT subject to the multiple surgical services rule for reduction in payment.
- Add-on codes cannot be billed alone.

### *Assistant at surgery*

- Reimbursement is made at 16% of the surgeon's contracted allowable rate.

### *Co-surgery*

- Reimbursement is made at 63% of the contracted allowable rate for each provider.
- Separate operative notes are required from each provider.

### *Attempted surgical procedure*

- When *modifier 53* is affixed to indicate that anesthesia has begun and for extenuating circumstances that pose a threat to the patient's well being the procedure is discontinued, FCHP will reimburse at 50% of the contracted allowable rate.

### *Reduced surgical procedures*

- When *modifier 52* is affixed to indicate reduced services, FCHP will reimburse at 50% of the contracted allowable rate.

### *Physician assistant services*

- The payment is equal to 80% of the lesser of the actual charge, or 85% of the physician fee schedule. Payment for PA services may only be made to the PA's employer. Under certain circumstances, a PA as an independent contractor qualifies as an employment relationship where payment is made to the employer. All PA services must be billed by the physician supervisor (employer) on an assigned basis.

### *Global Surgical Payment Policy*

(at [www.fchp.org/Providers/Medical\\_payment\\_policies.htm](http://www.fchp.org/Providers/Medical_payment_policies.htm))

## Modifiers

The following is a list of modifiers often used in surgical billing for both ASC and Non-ASC:

- -24 services unrelated to surgical service during post-operative period
- -25 Significant separately identifiable service on the same day as another E&M
- -50 Bilateral procedure
- -51 Multiple procedures (not for Medicare)
- -52 Reduced services
- -53 Discontinued service (Professional side only; Facility uses 73/74)
- -54 Surgical Service only
- -55 Post-op surgical service only
- -56 Pre-Op surgical service only
- -57 E&M service provided on same day as major surgery
- -58 Staged or related procedure or service by same physician on same day
- -59 Distinct procedural service
- -62 Two Surgeons
- -66 Team Surgery
- -73 Discontinued outpatient procedure prior to administration of anesthesia
- -74 Discontinued outpatient procedure after administration of anesthesia
- -76 Repeat procedure or service by same physician
- -77 Repeat procedure by another physician
- -78 Unplanned return to the operating/procedure room for a related procedure on the same day
- -79 Unrelated procedure or service by the same physician on the same day
- -80 Assistant at Surgery
- -82 Qualified Resident
- -AS Services provided by PA, NP, or CNS
- -SG Surgical Facility (ASC modifier)

## Place of service

### 22 Outpatient Hospital

A portion of a hospital which provides diagnostic, therapeutic (both surgical and non-surgical), and rehabilitation services to sick or injured persons who do not require hospitalization or institutionalization.

### 24 Ambulatory Surgical Center (ASC)

A freestanding facility, other than a physician's office, where surgical and diagnostic services are provided on an ambulatory basis.

## Policy history

Origination date: 06/30/08

Previous revision date(s): N/A

Current review date & details: 06/30/08 - This is a new policy.

*This payment policy has been developed to provide information regarding general billing, coding and documentation guidelines for FCHP. Even though this payment policy may indicate that a particular service or supply is considered covered, specific provider contract terms and/or member individual benefit plans may apply and this policy is not a guarantee of payment. FCHP reserves the right to apply this payment policy to all FCHP companies and subsidiaries.*