

#### REIMBURSEMENT POLICY STATEMENT **INDIANA MEDICAID Next Annual Review Original Issue Date Effective Date** 01/01/2017 01/01/2018 01/01/2017 **Policy Number Policy Name** PY-0171 Sleep Studies **Policy Type** Medical REIMBURSEMENT Administrative Pharmacy

Reimbursement Policies prepared by CSMG Co. and its affiliates (including CareSource) are intended to provide a general reference regarding billing, coding and documentation guidelines. Coding methodology, regulatory requirements, industry-standard claims editing logic, benefits design and other factors are considered in developing Reimbursement Policies.

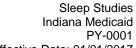
In addition to this Policy, Reimbursement of services is subject to member benefits and eligibility on the date of service, medical necessity, adherence to plan policies and procedures, claims editing logic, provider contractual agreement, and applicable referral, authorization, notification and utilization management guidelines. Medically necessary services include, but are not limited to, those health care services or supplies that are proper and necessary for the diagnosis or treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity, impairment of function, dysfunction of a body organ or part, or significant pain and discomfort. These services meet the standards of good medical practice in the local area, are the lowest cost alternative, and are not provided mainly for the convenience of the member or provider. Medically necessary services also include those services defined in any federal or state coverage mandate, Evidence of Coverage documents, Medical Policy Statements, Provider Manuals, Member Handbooks, and/or other policies and procedures.

This Policy does not ensure an authorization or Reimbursement of services. Please refer to the plan contract (often referred to as the Evidence of Coverage) for the service(s) referenced herein. If there is a conflict between this Policy and the plan contract (i.e., Evidence of Coverage) will be the controlling document used to make the determination.

CSMG Co. and its affiliates may use reasonable discretion in interpreting and applying this Policy to services provided in a particular case and may modify this Policy at any time.

# **Contents of Policy**

REIM	REIMBURSEMENT POLICY STATEMENT1				
TABL	<u>E OF CONTENTS</u>	1			
	SUBJECT				
	BACKGROUND				
	<u>DEFINITIONS</u>				
	POLICY				
	CONDITIONS OF COVERAGE				
	RELATED POLICIES/RULES				
	REVIEW/REVISION HISTORY				
	REFERENCES				



Effective Date: 01/01/2017



#### B. BACKGROUND

Reimbursement policies are designed to assist you when submitting claims to CareSource. They are routinely updated to promote accurate coding and policy clarification. These proprietary policies are not a guarantee of payment. Reimbursement for claims may be subject to limitations and/or qualifications. Reimbursement will be established based upon a review of the actual services provided to a member and will be determined when the claim is received for processing. Health care providers and their office staff are encouraged to use self-service channels to verify member's eligibility.

It is the responsibility of the submitting provider to submit the most accurate and appropriate CPT/HCPCS code(s) for the product or service that is being provided. The inclusion of a code does not imply any right to reimbursement or guarantee claims payment.

Sleep Studies and Polysomnography (PSG) refers to the test performed for people who suffer from insomnia, excessive daytime sleepiness, obstructive sleep apnea, breathing difficulties during sleep, or behavior disturbances during sleep. It is the continuous monitoring and recording of a patient's body functions during sleep. It may include eye movement, brain waves, blood pressure, oxygen saturation, muscle activity and heart rhythm. For the purpose of this policy, the terms "sleep study" and "Polysomnography" may be used interchangeably. However, when submitting a claim for reimbursement, providers should use the most appropriate CPT code with the appropriate associated definition. CareSource will reimburse providers, for sleep studies to CareSource members, as set forth in this policy.

## C. DEFINITIONS

- Narcolepsy is a syndrome that is characterized by abnormal sleep tendencies.
- Obstructive Sleep Apnea (OSA) is the obstruction of airflow, during sleep, due to the collapse of the oropharyngeal walls.
- Parasomnias are a group of conditions that may occur during sleep that can often lead to
  injury to the patient or others and damage to the surroundings. These conditions may include
  sleepwalking, sleep terrors, and rapid eye movement (REM) sleep behavior disorders.
- Polysomnography (PSG) is a sleep study that records certain body functions during sleep and is used to diagnose sleep disorders.
- Sleep Apnea is the interruption of airflow for at least 10 seconds.

#### D. POLICY

- I. CareSource does not require a prior authorization for sleep studies.
- II. A sleep study/polysomnography (PSG) may be reimbursed according to CMS/LCD guidelines using appropriate CPT and/or HCPCS and modifier codes (if applicable).
- III. Reimbursement is based on submitting a claim with the appropriate ICD-10 diagnosis code to match the sleep study/polysomnography (PSG) CPT code.
- IV. If the appropriate ICD-10 diagnosis code is not submitted with the CPT code, the claim will be denied.
- V. Sleep study/PSG is considered medically necessary and covered:
  - A. Only if the patient has the symptoms or complaints of one of the conditions listed below.
    - 1. Narcolepsy
    - 2. Parasomnias



Sleep Studies Indiana Medicaid PY-0001

Effective Date: 01/01/2017

- 3. Sleep Apnea
- B. The patient must be referred to the sleep disorder clinic by their attending physician, and the clinic maintains a record of the attending physician's orders.
- C. The need for diagnostic testing is confirmed by medical evidence, e.g., physician examinations and laboratory tests.
- D. The test is not redundant of other diagnostic procedures that must be performed.
- VI. Polysomnography (PSG) includes the stages of sleep, which requires items a through c below. Polysomnography is defined to minimally include, but is not limited to, the following:
  - A. A 1-4 lead electroencephalogram (EEG) to measure global neural encephalographic activity using electrodes placed on the scalp.
  - B. Electrooculogram (EOG) to measure eye movements using electrodes placed near the outer canthus of each eye.
  - C. A submental electromyogram (EMG) to measure submental electromyographic activity using electrodes placed over the mentalis, submentalis muscle, and/or masseter regions.
  - D. Rhythm electrocardiogram (ECG).
  - E. Nasal and/or oral airflow via both thermistor and nasal pressure sensor.
  - F. Respiratory indication by chest-wall and abdominal movement measured using respiratory inductive plethysmography, endoesophageal pressure or by intercostal EMG.
  - G. Gas exchange (oxygen saturation) by oximetry or transcutaneous monitoring.
  - H. Bilateral anterior tibialis muscle activity, motor activity-movement using EMG.
    - I. Body positions by directly applied sensors or by direct observation.
- VII. Home sleep testing is NOT covered by CareSource for Indiana Medicaid members. Included are:
  - A. 95800, 95801, 95803
- VIII. It is the responsibility of the physician/provider to ensure the medical necessity of procedures and documentation of such in the medical record.

**Note:** Although a Sleep Study does not require a prior authorization, CareSource may request documentation to support medical necessity. Appropriate and complete documentation must be presented at the time of review to validate medical necessity.

#### E. CONDITIONS OF COVERAGE

Reimbursement is dependent on, but not limited to, submitting CMS approved HCPCS and CPT codes along with appropriate modifiers. Please refer to the Indiana Medicaid fee schedule <a href="http://provider.indianamedicaid.com/ihcp/Publications/MaxFee/maxfee">http://provider.indianamedicaid.com/ihcp/Publications/MaxFee/maxfee</a> search.asp

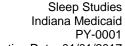
The following list(s) of codes is provided as a reference. This list may not be all
inclusive and is subject to updates. Please refer to the above referenced source for
the most current coding information.

CPT Codes	Definition		
95782	Polysomnography; younger than 6 years, sleep staging with 4 or more additional parameters of sleep, attended by a technologist		
95783	Polysomnography; younger than 6 years, sleep staging with 4 or more additional parameters of sleep, with initiation of continuous positive airway pressure therapy or bi-level ventilation, attended by a technologist		



95805	Multiple sleep latency or maintenance of wakefulness testing, recording, analysis and interpretation of physiological measurements of sleep during multiple trials to assess sleepiness
95807	Sleep study, simultaneous recording of ventilation, respiratory effort, ECG or heart rate, and oxygen saturation, attended by a technologist
95808	Polysomnography; any age, sleep staging with 1-3 additional parameters of sleep, attended by a technologist
95810	Polysomnography; age 6 years or older, sleep staging with 4 or more additional parameters of sleep, attended by a technologist
95811	Polysomnography; age 6 years or older, sleep staging with 4 or more additional parameters of sleep, with initiation of continuous positive airway pressure therapy or bilevel ventilation, attended by a technologist
95812	Electroencephalogram (EEG) extended monitoring; 41-60 minutes
95813	Electroencephalogram (EEG) extended monitoring; greater than 1 hour
95816	Electroencephalogram (EEG); including recording awake and drowsy
95819	Electroencephalogram (EEG); including recording awake and asleep
95822	Electroencephalogram (EEG); recording in coma or sleep only
95824	Electroencephalogram (EEG); cerebral death evaluation only
95827	Electroencephalogram (EEG); all night recording
95829	Electrocorticogram at surgery (separate procedure)
95830	Insertion by physician or other qualified health care professional of sphenoidal electrodes for electroencephalographic (EEG) recording
95831	Muscle testing, manual (separate procedure) with report; extremity (excluding hand) or trunk
95832	Muscle testing, manual (separate procedure) with report; hand, with or without comparison with normal side
95833	Muscle testing, manual (separate procedure) with report; total evaluation of body, excluding hands
95834	Muscle testing, manual (separate procedure) with report; total evaluation of body, including hands
95851	Range of motion measurements and report (separate procedure); each extremity (excluding hand) or each trunk section (spine)
95852	Range of motion measurements and report (separate procedure); hand, with or without comparison with normal side
95857	Cholinesterase inhibitor challenge test for myasthenia gravis
95860	Needle electromyography; 1 extremity with or without related paraspinal areas
95861	Needle electromyography; 2 extremities with or without related paraspinal areas
95863	Needle electromyography; 3 extremities with or without related paraspinal areas
95864	Needle electromyography; 4 extremities with or without related paraspinal areas
95865	Needle electromyography; larynx
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Effective Date: 01/01/2017

ICD-10	Definition	
G47.10	Hypersomnia, unspecified	
G47.3	Sleep apnea	
G47.33	Obstructive sleep apnea (adult) (pediatric)	
G47.41	Narcolepsy	
G47.5	G47.5 Parasomnia	

## F. RELATED POLICIES/RULES

## G. REVIEW/REVISION HISTORY

	DATE	ACTION
Date Issued	01/01/2017	New Policy.
Date Revised		
Date Effective	01/01/2017	

### H. REFERENCES

- 1. IHCP Fee-For-Service Fee Schedule. (2017, February 25). Retrieved 3/8/2017 from <a href="http://provider.indianamedicaid.com/ihcp/Publications/MaxFee/maxfee\_search\_results.asp#resultsAppendix">http://provider.indianamedicaid.com/ihcp/Publications/MaxFee/maxfee\_search\_results.asp#resultsAppendix</a>
- 2. Local Coverage Determination (LCD): POLYSOMNOGRAPHY and Other Sleep Studies (L36861). (2017, February 16). Retrieved 3/6/2017 from <a href="https://www.cms.gov/medicare-coverage-database/details/lcd-">https://www.cms.gov/medicare-coverage-database/details/lcd-</a>
  - details.aspx?LCDId=36861&ver=4&CoverageSelection=Local&ArticleType=All&PolicyType=Final&s=California+-
  - $+ Entire + State \& KeyWord = polysomnography \& KeyWordLook Up = Title \& KeyWordSearch Type = \\ \underline{And \& bc = gAAAACAAAAAAA3d\%3d\&}$

The Reimbursement Policy Statement detailed above has received due consideration as defined in the Reimbursement Policy Statement Policy and is approved.

