

Payment Policy: Supplies Billed On Same Day As Surgery

Reference Number: LA.PP.032

Effective Date: 08/2020

Last Review Date: 07/2024

Coding Implications
Revision Log

See Important Reminder at the end of this policy for important regulatory and legal information.

Policy Overview

The Centers for Medicare and Medicaid Services (CMS) state that the global surgical package includes supplies needed as part of the surgical procedure. Supplies are considered a component of the global surgical package and except in certain circumstances, are not separately reportable.

According to the CMS program manual publication 100-04, Chapter 12, publication 20.4.4, separate payment for supplies related to a surgery is only allowed under two conditions 1) HCPCS code A4300 when billed in conjunction with the appropriate procedure code, and 2) the supply is a pharmaceutical or radiopharmaceutical diagnostic imaging agent, stressing agent, or therapeutic radionuclide.

The purpose of this policy is to define payment criteria for supplies billed on the same date as a surgical procedure to be used by the health plan in making payment decisions.

Application

This policy applies to:

- Professional claims
- Same member
- Same provider
- Same date of service as a surgical procedure.

Reimbursement

Louisiana Healthcare Connection denies claim lines billed with supplies on the same day as a surgical procedure when the surgical procedure has been assigned a global period by CMS.

This rule will review within the same claim and will also review claims in history.

Coding and Modifier Information

This payment policy references Current Procedural Terminology (CPT®). CPT® is a registered trademark of the American Medical Association. All CPT® codes and descriptions are copyrighted 2024, American Medical Association. All rights reserved. CPT codes and CPT descriptions are from current manuals and those included herein are not intended to be all-inclusive and are included for informational purposes only. Codes referenced in this payment policy are for informational purposes only. Inclusion or exclusion of any codes does not guarantee coverage. Providers should reference the most up-to-date sources of professional coding guidance prior to the submission of claims for reimbursement of covered services.

CPT/HCPCS Code	Descriptor
A4206-A8004	HCPCS Medical and Surgical Supplies
A9150-A9300	Other Supplies and Devices
A9500-A9700	Radiopharmaceuticals
A9900-A9999	Miscellaneous

Definitions

1. *Global Surgical Package* – defines the pre-operative, intra-operative and post-operative services included in a procedure code. There are three types of global surgical packages based on the number of post-operative days 1) zero-day postoperative period, 2) 10-day post-operative period, and 3) 90-day postoperative period.
2. *HCPCS* – Healthcare Common Procedure Coding System - standardized code sets used to facilitate accurate claims payment. HCPCS is divided into two subsystems: Level I HCPCS codes (current procedural terminology or CPT codes) identify medical services provided by physicians and other health care professionals and Level II codes represent products, supplies and services which are not included in the CPT codes.

References

1. *Current Procedural Terminology (CPT®)*, 2024
2. *HCPCS Level II*, 2024
3. *International Classification of Diseases, (ICD-10-CM)*, 2024
4. *Centers for Medicare and Medicaid Services, CMS Claims Processing Manual Chapter 12*
<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c12.pdf>

Revision History	Revision Date	Approval Date
Converted corporate to local policy.	8/15/20	
Annual Review; Update: dates in the reference section from 2019 to 2021 Removed clinical and added payment policy in “Important Reminder” section	8/30/22	
Annual review; Update to reference dates	7/24/23	9/11/23
Annual review; dates and references updated Did not send to LDH due to non-material revisions.	06/21/2024	7/30/2024

Important Reminder

This payment policy has been developed by appropriately experienced and licensed health care professionals based on a review and consideration of currently available generally accepted standards of medical practice; peer-reviewed medical literature; government agency/program approval status; evidence-based guidelines and positions of leading national health professional organizations; views of physicians practicing in relevant clinical areas affected by this payment policy; and other available clinical information. LHCC makes no representations and accepts no

liability with respect to the content of any external information used or relied upon in developing this payment policy. This payment policy is consistent with standards of medical practice current at the time that this payment policy was approved.

The purpose of this payment policy is to provide a guide to medical necessity, which is a component of the guidelines used to assist in making coverage decisions and administering benefits. It does not constitute a contract or guarantee regarding payment or results. Coverage decisions and the administration of benefits are subject to all terms, conditions, exclusions and limitations of the coverage documents (e.g., evidence of coverage, certificate of coverage, policy, contract of insurance, etc.), as well as to state and federal requirements and applicable LHCC administrative policies and procedures.

This payment policy is effective as of the date determined by LHCC. The date of posting may not be the effective date of this payment policy. This payment policy may be subject to applicable legal and regulatory requirements relating to provider notification. If there is a discrepancy between the effective date of this payment policy and any applicable legal or regulatory requirement, the requirements of law and regulation shall govern. LHCC retains the right to change, amend or withdraw this payment policy, and additional clinical policies may be developed and adopted as needed, at any time.

This payment policy does not constitute medical advice, medical treatment or medical care. It is not intended to dictate to providers how to practice medicine. Providers are expected to exercise professional medical judgment in providing the most appropriate care, and are solely responsible for the medical advice and treatment of members. This payment policy is not intended to recommend treatment for members. Members should consult with their treating physician in connection with diagnosis and treatment decisions.

Providers referred to in this payment policy are independent contractors who exercise independent judgment and over whom LHCC has no control or right of control. Providers are not agents or employees of LHCC.

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