

Outpatient Surgery

Policy

Harvard Pilgrim reimburses surgical day care services and ambulatory/minor surgery services when the services are performed in a Harvard Pilgrim–contracted facility or ambulatory surgical center (ASC). This policy does not apply to hospitals and ambulatory surgical centers that are contracted under the Harvard Pilgrim Outpatient Facility Fee Schedule.

Policy Definition

Surgical Day Care Services (SDC) performed in a day surgery setting. SDC services are generally more invasive than ambulatory/minor surgery and usually require incision or excision procedures. General anesthesia and recovery room services are frequently required.

Ambulatory/Minor Surgery Service (ASC) is classified as surgery that usually does not require general anesthesia or extended recovery room time.

Prerequisite(s)

Applicable Harvard Pilgrim referral, notification and authorization policies apply. (Refer to [Referral, Notification and Authorization](#)) for more information.

HMO/POS/PPO

- A physician order is required for ambulatory/minor surgery services
- Notification is required when ambulatory/minor surgery or SDC services results in an inpatient admission
- An authorization is required for some surgical procedures (Refer to the [Prior Authorization Policy](#) for a list of procedures that require an authorization.)

Open Access HMO and POS

For [Open Access HMO and Open Access POS](#) products, no referral is required to see a contracted specialist.

Harvard Pilgrim Reimburses¹

HMO/POS/PPO

Facility providers at a single all-inclusive rate for both ambulatory/minor surgery services and surgical day care services. Reimbursement includes the following:

- All facility services provided on the day of surgery that are directly related to the procedure performed
- Pharmacy and all ancillary services
- When two or more CPT codes are billed together, reimbursement is based on the code with the higher dollar allowable

Harvard Pilgrim Does Not Reimburse

HMO/POS/PPO

- Observation services billed with surgical day care services or ambulatory/minor surgery services
- Recovery room services
- Blood or blood products related to surgery

Member Cost-Sharing

Services subject to applicable member out-of-pocket cost (e.g., co-payment, coinsurance, deductible).

Provider Billing Guidelines and Documentation
Coding²

Code	Description	Comment
036X	Operating Room	Bill with CPT/HCPCS
049X	Ambulatory Surgery	Bill with CPT/HCPCS
10021–19499	Integumentary System/Surgery	
20100–29999	Musculoskeletal System/Surgery	
30000–32999	Respiratory System/Surgery	
33016-37799	Cardiovascular System/Surgery	
38100–38999	Hemic and Lymphatic Systems/Surgery	
39000–39599	Mediastinum and Diaphragm/Surgery	
40490–49999	Digestive System/Surgery	
50010–53899	Urinary System/Surgery	
54000–58999	Male/Female Genital System/Surgery	
59000–59899	Maternity Care and Delivery/Surgery	
60000–60699	Endocrine System/Surgery	
61000–64999	Nervous System/Surgery	
65091–68899	Eye and Ocular Adnexa/Surgery	
69000–69979	Auditory System/Surgery	

Surgical Centers Billing on a CMS-1500 Form

- For CMS-1500 and electronic 837P, the modifier SG is required (modifier SG is not required for services submitted on a UB-04 or electronic 837I).
- Modifier SG is defined as: Ambulatory Surgery Center facility services.
- The modifier SG may be billed in the first or subsequent modifier position (FL 24D) of the CMS 1500 or loop 2400, SV1 segment with appropriate modifier in SV101-2. When applicable, always submit a modifier that reduces the fee schedule/allowable amount in the primary modifier position, and modifier SG in the secondary position.

Other Information

If applicable, enter the authorization number in Form Locator 63 of the paper UB04 or loop 2300 REF segment with G1 qualifier in REF01 and Harvard Pilgrim authorization number in REF02 of the electronic 837I.

Related Policies
Payment Policies

- Bilateral Services and CPT Modifier 50
- CPT and HCPCS Level II Modifiers
- Inpatient Acute Medical Admissions
- Outpatient Facility Fee Schedule
- Services Incidental to Admission

Referral, Notification & Authorization

- Elective Admissions Notification

- Emergent/Urgent Admissions Notification
- Notification Policy
- Prior Authorization Policy

PUBLICATION HISTORY

07/01/02	reformatted from original Surgical Payment Policy documentation
04/01/03	annual review; added notification for SDC following an emergency room visit or an observation stay; revenue code 049X
10/31/04	notification requirement removed
10/31/08	annual review; added footnote: Policy not applicable to providers on Outpatient Facility Fee schedule; minor edits for clarity
10/15/09	annual review; minor edits
08/15/10	annual review; added surgical centers billing on CMS-1500 billing instructions
08/15/11	annual review; no changes
01/01/12	removed First Seniority Freedom information from header
08/15/12	annual review; minor edits
08/15/13	annual review; no changes
06/15/14	added <i>Connecticut Open Access HMO</i> referral information to prerequisites
08/15/14	annual review; administrative edit
08/15/15	annual review; updated electronic billing information
08/15/16	annual review; no changes
08/15/17	annual review; administrative edits
01/01/18	updated Open Access Product referral information under Prerequisites
09/01/18	annual review; no changes
02/01/19	annual coding update
02/03/20	annual coding update
09/01/20	annual review; removed version 5010
09/01/21	annual review; no changes

¹This policy applies to the products of Harvard Pilgrim Health Care and its affiliates—Harvard Pilgrim Health Care of Connecticut, Harvard Pilgrim Health Care of New England, and HPHC Insurance Company—for services performed by contracted providers. Payment is based on member benefits and eligibility, medical necessity review, where applicable, and provider contractual agreement. Payment for covered services rendered by contracted providers will be reimbursed at the lesser of charges or the contracted rate. (Does not apply to inpatient per diem, DRG, or case rates.) HPHC reserves the right to amend a payment policy at its discretion. CPT and HCPCS codes are updated annually. Always use the most recent CPT and HCPCS coding guidelines.

²The table may not include all provider claim codes related to outpatient surgery.