

## Memorandum

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**To:** LDH, MCO Policies  
**From:** Lesli Boudreaux, Director Compliance and Regulatory Affairs  
**Date:** 5/18/2020  
**Subject:** AmeriHealth Caritas Louisiana – Outpatient Surgical Procedures 8003.04

AmeriHealth Caritas Louisiana submits this proposed policy specific to prior authorization and reimbursement requirements for hip joint replacement, knee joint replacement, and outpatient surgical procedures. This policy will become effective upon receipt of LDH's approval and will remain in effect until such time that revisions are submitted to LDH for review and approval.

Highlights of this policy include:

- *Identification of outpatient surgical center as the most appropriate setting for average risk patients for: anterior cervical fusion, one level; hip joint replacement; knee joint replacement; lumbar fusion, one level*
- *Circumstances and patient history that may support joint replacement procedures in an inpatient setting*

This information was reviewed and approved by AmeriHealth Caritas Louisiana.



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Kyle Viator  
Market President



## Clinical Policy Title: Outpatient Surgical Procedures

Clinical Policy ID: CPP.8003.04

Recent review date: 2/2020

Next review date: 2/2022

Policy contains: Hip Joint Replacement; Knee Joint Replacement; Outpatient Surgical Procedures

**ABOUT THIS POLICY:** AmeriHealth Caritas has developed clinical policies to assist with making coverage determinations. AmeriHealth Caritas' clinical policies are based on guidelines from established industry sources, such as the Centers for Medicare & Medicaid Services (CMS), state regulatory agencies, the American Medical Association (AMA), medical specialty professional societies, and peer-reviewed professional literature. These clinical policies along with other sources, such as plan benefits and state and federal laws and regulatory requirements, including any state- or plan-specific definition of "medically necessary," and the specific facts of the particular situation are considered by AmeriHealth Caritas when making coverage determinations. In the event of conflict between this clinical policy and plan benefits and/or state or federal laws and/or regulatory requirements, the plan benefits and/or state and federal laws and/or regulatory requirements shall control.

AmeriHealth Caritas' clinical policies are for informational purposes only and not intended as medical advice or to direct treatment. Physicians and other health care providers are solely responsible for the treatment decisions for their patients. AmeriHealth Caritas' clinical policies are reflective of evidence-based medicine at the time of review. As medical science evolves, AmeriHealth Caritas will update its clinical policies as necessary. AmeriHealth Caritas' clinical policies are not guarantees of payment.

### Coverage policy

**When services can be administered in various settings, we reserve the right to reimburse only those services that are furnished in the most appropriate and cost-effective setting appropriate to the member's medical needs and condition. This decision is based on the member's current medical condition and any required monitoring or additional services that may coincide with the delivery of this service. The outpatient surgical center is the most appropriate and cost-effective setting for the average-risk patient undergoing the following procedures:**

- Anterior cervical fusion, one level
- Hip joint replacement
- Knee joint replacement
- Lumbar fusion, one level

**These procedures require prior authorization, regardless of the setting in which they are performed.**

**A hospital outpatient surgical center is located in a hospital outpatient department where surgical and diagnostic procedures are performed on an ambulatory basis. The procedures and diagnostic services are unlikely to exceed 24 hours and the complexity of the procedure is not expected to require immediate access to a hospital services-specific setting or postoperative inpatient setting.**

**Circumstances that may support performance of joint replacement in an inpatient setting:**

- Age > 70
- Decreased functional status requiring inpatient rehab
- Medical comorbidities requiring inpatient management

Historical findings that may support performance of joint replacement in an inpatient setting:

- Chronic obstructive pulmonary disease
- Heart failure
- Coronary artery disease
- Cirrhosis
- End-stage renal disease
- Thromboembolic events
- Diabetes and HbA1c > 7%
- Opioid use disorder
- BMI > 40

References

American Society of Anesthesiologists. ASA physical status classification system. 2019.

<https://www.asahq.org/standards-and-guidelines/asa-physical-status-classification-system>. Accessed on January 28, 2019.

Centers for Disease Control and Prevention. Ambulatory Surgery Data from Hospitals and Ambulatory Surgery Centers: United States, 2010. 2017. <https://www.cdc.gov/nchs/data/nhsr/nhsr102.pdf>. Accessed on January 28, 2019.

<https://www.federalregister.gov/documents/2014/11/10/2014-26146/medicare-and-medicaid-programs-hospital-outpatient-prospective-payment-and-ambulatory-surgical>. Accessed on January 28, 2019.

The Joint Commission. Advanced total hip and total knee replacement.

<https://www.jointcommission.org/accreditation-and-certification/certification/certifications-by-setting/hospital-certifications/orthopedic-certification/advanced-orthopedic/advanced-total-hip-and-total-knee-replacement/>. 2020. Accessed on January 28, 2020.

Policy Updates

2/2020: initial review date and clinical policy effective date: TBD