

<b>Utah Medicaid Provider Manual</b>	<b>Hospital Services: Free-Standing Ambulatory Surgical Center</b>
<b>Division of Health Care Financing</b>	<b>June 1998</b>

## SECTION 5

### HOSPITAL SERVICES

#### Free-Standing Ambulatory Surgical Center

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## **1 GENERAL POLICY**

Ambulatory Surgical Center service can be provided safely and effectively on an outpatient basis as an alternative to more costly inpatient admissions. Ambulatory surgical services are not listed in the Social Security Act as medical assistance, but the service has been developed as an outpatient hospital or a freestanding clinic service. Such service is defined at 42 Code of Federal Regulations 440.20 and 440.90 as preventive, diagnostic, therapeutic, rehabilitative, or palliative service organized and operated to provide medical care to outpatients by or under the direction of a physician or dentist.

Service in an Ambulatory Surgical Center must be reserved for those with appropriate surgical needs which can be treated within the policies and procedures of the facility. Care in the Ambulatory Surgical Center may not exceed 24 hours, and during the course of treatment, patient's rights must be assured through consideration, respect, and full recognition of personal dignity and individuality, including privacy in treatment and in care of personal needs.

The Freestanding Ambulatory Surgical Center must comply with applicable federal, state, and local laws and regulations for licensure, certification and/or regulation. The Center must meet the requirements for participation in Medicare, and be in full compliance with Utah Administrative Code R432-500 — *Freestanding Ambulatory Surgical Center Rules*.

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### **1 - 1 Clients Enrolled in a Managed Care Plan**

A Medicaid client enrolled in a managed care plan, such as a health maintenance organization (HMO) or Prepaid Mental Health Plan (PMHP), must receive all health care services through that plan. Refer to Section 1, Chapter 5, *Verifying Eligibility*, for information about how to verify a client's enrollment in a plan. For more information about managed health care plans, please refer to Section 1, Chapter 2, *Capitated Managed Care Plans*. Each plan may offer more benefits and/or fewer restrictions than the Medicaid scope of benefits explained in this section of the provider manual. Each plan specifies services which are covered, those which require prior authorization, the process to request authorization and the conditions for authorization.

All questions concerning services covered by or payment from a managed care plan must be directed to the appropriate plan. Medicaid does NOT process prior authorization requests for services to be provided to a Medicaid client who is enrolled in a capitated managed care plan when the services are included in the contract with the plan. Providers requesting prior authorization for services for a client enrolled in a managed care plan will be referred to that plan.

A list of HMOs and PMHPs with which Medicaid has a contract to provide health care services is included as an attachment to this provider manual. Please note that Medicaid staff make every effort to provide complete and accurate information on all inquiries as to a client's enrollment in a managed care plan. Because eligibility information as to which plan the patient must use is available to providers, a fee-for-service claim will not be paid even when information is given in error by Medicaid staff.

### **1 - 2 Clients NOT Enrolled in a Managed Care Plan (Fee-for-Service Clients)**

Medicaid clients who are *not* enrolled in a managed care plan may receive services from any provider who accepts Medicaid. This provider manual explains the conditions of coverage for Medicaid fee-for-service clients.

### **1 - 3 Definitions**

#### **Ambulatory**

The ability to walk or move about

#### **Ambulatory Surgical Facility**

A freestanding facility which provides elective surgical services to patients not requiring admission to a hospital.

#### **Anesthesia Service**

Medications to render a patient unresponsive to stimuli or environment and prepare the patient for surgical intervention. Types of anesthesia are:

- (a) general, spinal, or other major regional anesthesia independently or in combination; or
- (b) intravenous, intramuscular, or inhalation sedation or analgesia that may result in the loss of the patient's protective reflexes.

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**Anesthesiologist**

A physician licensed by the Department of Commerce under Utah Code Annotated, Title 58, Chapter 67 with special training and experience in provision of anesthesia services.

**Dentist**

A person registered and currently licensed by the Department of Commerce under Utah Code Annotated, Title 58, Chapter 69.

**Discharge**

The point at which the patient's involvement with a facility or agency program comes to a place where active responsibility for care of the patient is terminated.

**Free-standing**

Existing independently or physically separated from another health care facility by fire walls and doors and having a separate administration, staff, and record system.

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**Monitored Anesthesia Care**

Intra operative monitoring by qualified anesthesia personnel, of the patient’s vital physiological signs, in anticipation of the need for administration of general anesthesia or of the development of adverse physiological patient reaction to the surgical procedure.

**Nurse Anesthetist**

A registered professional nurse who has specialized education and training which enables the individual to administer anesthesia.

**Nursing Care**

Assistance provided by or under the direction of licensed nursing personnel, to meet the health care needs of sick, disabled, or recovering individuals.

**Patient**

A person receiving care in a health care facility or agency.

**Physician**

A person licensed by the Utah Department of Commerce either under the Medical Practice Act or the Osteopathic Medicine Licensing Act to practice medicine and surgery in all its branches (Utah Code Annotated, Title 58, Chapter 67 and Title 58, Chapter 68).

**Podiatrist**

A person registered and licensed by the Utah Department of Commerce under Utah Code Annotated, Title 58, Chapter 5a.

**Recovery**

For a patient in the Ambulatory Surgical Center, that period of time following completion of the surgical procedure and ending with discharge from the facility. Initial Post Surgery Recovery Period is defined at R432-500-4(h), Utah Code Annotated, as “patient care no longer than six hours beyond the completion of surgery.”

**Registered Nurse**

A person registered and licensed by the Utah Department of Commerce to practice as a registered nurse under Utah Code Annotated, Title 58, Chapter 31b.

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## **2 COVERED SERVICES**

### **1. Physician Services**

Each patient must be under the care of a member of the facility medical staff who is responsible for the quality of patient care and supervision of patients admitted to the facility. Physician service can be provided within the scope of medicine or osteopathy as defined by state law. A doctor of dental medicine or dental surgery may also provide service as a member of the facility staff to the extent of licensure within the state, as long as the service can be provided either by a doctor of medicine or doctor of dental surgery.

A doctor of podiatric medicine (podiatrist) may also provide service within his licensed scope of practice.

### **2. Nursing Service**

Nursing service personnel are responsible for planning and delivering nursing care preoperatively, intra operatively, and postoperatively to meet patient needs. Nursing care includes having the knowledge and skill to provide specialized services and to manage and operate specialized equipment. Nursing service includes training and ability to respond to emergency and life threatening situations.

### **3. Pharmacy Service**

Pharmacy service must be under the direction of a pharmacist and provided in compliance with the Pharmacy Practice Act; Board of Pharmacy Rules; Controlled Substances Act; and other applicable state and federal laws, rules, and regulations. Drugs and medications must be available only to the pharmacist, medical personnel, and licensed nursing personnel.

### **4. Anesthesia Service**

Anesthesia service and supplies commensurate with the surgical procedures planned for the facility are available and provided by licensed personnel with the expertise to ensure adequate supervision and management of the anesthetized patient. During any procedure, the anesthesiologist or nurse anesthetist must monitor by constant attendance, a patient receiving general or regional anesthetics.

### **5. Laboratory and Radiology Services**

Service to meet the needs of patients must be provided on an order from a physician licensed to prescribe such services. Direct or contract laboratory, radiology, and associated service must be in compliance with facility policy and:

Laboratory service must be provided by a CLIA Certified laboratory which meets the requirements of R432-100-26, Utah Code Annotated.

Radiology services must comply with applicable sections of R313-12--- *Radiation Control* and R432-100-24, Utah Code Annotated.

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### 3 LIMITATIONS

1. All services must be within the scope of accepted medical and nursing practice, meet community standards, be provided in compliance with applicable federal, state and local rules, laws, and regulations and meet accepted quality standards.
2. Services are limited to those procedures which are within the scope of privileges granted to physicians which can be provided safely and cost effectively in the outpatient setting without hospital admission.
3. Care and service, including extended recovery service, provided in the Ambulatory Surgical Center is limited to 24 hours or less.
4. Anesthesia service is limited to care within the scope of facility approved privileges and individual licensure and must be provided by qualified anesthesia personnel.
5. Discharge from the facility is limited to a decision made by a member of the medical staff who determines that it is safe and appropriate to discharge the patient.

### 4 BILLING

Effective July 1, 1998, Medicaid requires UB-92 claim forms to be billed **electronically**. There are three exceptions to the requirement to bill the original claim electronically:

- UB-92 claims billed by out-of-state providers
- Dialysis claims
- Crossover claims where the Medicare carrier is out of state

Beginning July 1, 1998, Medicaid will return UB-92 claims submitted on a paper form to the provider with a cover letter requesting the claim be submitted electronically.

Refer to Section 2, Chapter 5, Billing.