

Frequently Asked Questions

2022 CODING & REIMBURSEMENT

WatchPAT™ Home Sleep Apnea Test



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DISCLAIMER

The information contained in this guide is provided to assist you in understanding the reimbursement process. It is intended to assist providers in accurately obtaining reimbursement for health care services. It is not intended to increase or maximize reimbursement by any payer. We strongly suggest that you consult your payer organization with regard to local reimbursement policies. The information contained in this document is provided for information purposes only and represents no statement, promise or guarantee by Itamar Medical concerning levels of reimbursement, payment or charge. Similarly, all CPT[®] and HCPCS codes are supplied for information purposes only and represent no statement, promise or guarantee by Itamar Medical that these codes will be appropriate or that reimbursement will be made.

PATIENT SELECTION CRITERIA

Q. Who is a candidate for a WatchPAT Home Sleep Apnea Testing (HSAT)?

A. HSAT is intended for patients who exhibit clinical symptoms of Obstructive Sleep Apnea (OSA). Patients with hypertension or diabetes are candidates, as are those that exhibit symptoms of apnea. Patients with other sleep disorders (i.e. Restless Leg Syndrome (RLS), narcolepsy, REM-behavior disorder), co-morbid conditions (which may impact the diagnostic relevance of the SaO₂ data such as COPD), and patients in whom you only mildly suspect sleep apnea are not candidates for HSAT.

OSA SYMPTOMS INCLUDE THE FOLLOWING	
Loud snoring	Depression
Witnessed apnea events	Gastroesophageal reflux
Excessive daytime sleepiness	Impotence
Morning headaches	Nocturia
History of high blood pressure	Difficulty concentrating
Memory problems or poor judgment	Personality changes or irritability

Q. Does Medicare require a comprehensive clinical evaluation?

A. Yes. Medicare states that a HSAT is covered only when it is performed in conjunction with a comprehensive sleep evaluation and in patients with a high pretest probability of moderate to severe obstructive sleep apnea.

Q. What does a comprehensive clinical evaluation include?

A. Determine if a patient is at risk for Obstructive Sleep Apnea (OSA).

1. The patient should complete an assessment such as the Epworth Sleepiness Scale or STOP-BANG questionnaire.*

The OSA screening include a review of common risk factors such as:

- Does the patient snore?
- Is the patient excessively tired during the day?
- Has the patient been told they stop breathing during sleep?
- Does the patient have hypertension?
- Is the patients neck size greater than 17 inches (male) or 16 inches (female)?

2. Perform a cardiopulmonary assessment to rule out exclusionary disorders such as COPD. Examine the upper respiratory airway looking for enlarged tonsils, obvious asymmetries or blockage of the nasal passages and document all findings in the patient's chart.

Q. What is The Epworth Sleepiness Scale (ESS)?**

A. This is a questionnaire used to determine the level of daytime sleepiness. The ESS is a self-administered questionnaire with 8 questions where the respondent uses a 4 point scale to rate their answers. A score >10 indicates moderate to high probability of excessive daytime sleepiness. A score of 11 or more is accepted by most payers to justify reimbursement for HSAT.

Q. What is the STOP - BANG questionnaire*?

A. The STOP-BANG Questionnaire is 8 questions long. A "yes" answer on three or more questions indicates high probability of OSA.

* Information on the STOP-BANG may be found at: www.stopbang.ca

** Information on the ESS may be found at www.epworthsleepinessscale.com

CODING & MODIFIERS

PROCEDURE CODING

Q. What CPT® / HCPCS code is used to bill the WatchPAT home sleep study?

A. CPT 95800 may be used to report the WatchPAT HSAT. 95800 includes the option for the test to use airflow or peripheral arterial tone (PAT). The WatchPAT uses peripheral arterial tone instead of airflow. All Medicare MACs accept CPT 95800 for reporting WatchPAT. Review each payer's medical policy to ensure appropriate reporting.

CPT® CODE	DESCRIPTION
95800	Sleep study, unattended, simultaneous recording; heart rate, oxygen saturation, respiratory analysis (eg, by airflow or peripheral arterial tone), and sleep time
95801	Sleep study, unattended, simultaneous recording; minimum of heart rate, oxygen saturation, and respiratory analysis (eg, by airflow or peripheral arterial tone)
G0400	Home sleep test (HST) with type IV portable monitor, unattended; minimum of 3 channels

Q. What is the difference between 95800 and 95801?

A. 95800 includes sleep time and 95801 does not. 95800 is the appropriate code to report the WatchPAT since it measures sleep time.

Q: Can CPT 95806 be used to report the WatchPAT home sleep study?

A: No. 95806 requires the use of airflow in the test. 95800 notes that peripheral arterial tone (PAT) may be used as an alternative to airflow. The WatchPAT utilizes PAT technology and does not utilize airflow as one of the parameters used to test for sleep apnea.

95806: Sleep study, unattended, simultaneous recording of, heart rate, oxygen saturation, respiratory airflow, and respiratory effort (eg, thoracoabdominal movement)

Q. How are patient office visits coded?

A. Patient visits are billed using evaluation and management (E/M) codes. The E/M codes are found in the CPT® code book. Office visits in particular are billed using two code ranges – for new patients, E/M codes 99202-99205 can be used; for established patients, E/M codes 99211-99215 can be used.

Q: Are office visits and HSAT performed the same day billed separately?

A: Payers vary in coverage eligibility for E/M services when billed on the same day as diagnostic testing. Always confirm the same day billing policy with the payer. Home sleep tests (95800) should not be billed on the same day as an E/M service unless the E/M is for a separate and distinct reason. When billing Medicare refer to the National Correct Coding Initiative (CCI) website tables to determine if Column 2 codes can be unbundled from Column 1 codes on the same day of service.

Q. If the HSAT is performed in an outpatient hospital, how should it be reported?

A. The hospital should report CPT 95800 which groups to APC 5721 Level1 Diagnostic Tests and Related Services. This APC has a status indicator of S, indicating that it will be paid separately and not discounted when other procedures are performed.

GLOBAL, TECHNICAL AND PROFESSIONAL BILLING

Q. What codes are used if the physician provides the WatchPAT as a global service (i.e., patient obtains equipment, goes home and brings back for interpretation)?

A. Depending on the payer the provider will bill either CPT 95800 or HCPCS G0400 without a modifier, indicating that the physician performed both the technical and professional components of the service. The provider should only bill for the services they perform. Contact your Medicare contractor or other payer to determine if you meet their requirements for billing globally.

MODIFIER	DESCRIPTION
-26	Professional Component: The professional component (PC) represents the supervision and interpretation of a procedure provided by the physician or other healthcare professional. It is identified by appending modifier 26 to the procedure code
-TC	Technical Component: The technical component (TC) represents the cost of the equipment, supplies and personnel to perform the procedure. It is identified by appending modifier TC to the procedure code.

Q. How should the study be reported, if the physician only interprets the results of the home sleep test?

A. When a physician performs only the interpretation of an unattended sleep study the service is reported with the professional component (PC) modifier -26. The service would be reported at 95800-26.

Q: How should the study be reported if the physician provides the home sleep test and educates the patient on its use, but does not interpret the results?

A: When the physician provides the equipment, application and instruction, the service is reported with the technical component (TC) modifier-TC. The service would be reported at 95800-TC.

REDUCED SERVICES

Q. If the home study is incomplete (e.g. oxygen saturation period only lasted one hour and was inadequate for interpretation), can a provider use a 52 modifier for reduced services?

A. Yes, append modifier 52 to the correct HCPCS code and reduce the billing accordingly.

Q. What is the appropriate way to code a sleep study where the provider documents less than 6 hours of recording time?

A. The medical record must document the medical reason the test was aborted. The provider is not eligible for payment if the patient decides not to undergo the test. Any study fewer than 6 hours should be billed by appending modifier 52 and reducing the bill accordingly.

Q. What is the appropriate way to bill for a home sleep test which is stopped due to equipment failure?

A. Typically, providers do not append modifier -52 to procedures involving equipment failure. The reduced services modifier references a physician's decision to discontinue a test/procedure due to extenuating "medical" circumstances such as a patient's condition or response to a test. Modifier 53 for Discontinued Procedure may used to describe the situation where the procedure was discontinued due to extenuating circumstances such as equipment failure.

DIAGNOSIS CODING

Q. What ICD- 10- CM diagnosis codes are commonly used for sleep apnea?

A. Payers medical policies often list the eligible diagnosis codes for reporting of HSAT. Always refer to the medical policy or contact the payer directly to obtain a current copy of eligible diagnosis codes. An example of common codes is provided below but may not be recognized by all payers.

Commonly Used ICD-10-CM Diagnosis Codes

ICD-10	DESCRIPTION
G47.30	Sleep apnea, unspecified
G47.33	Obstructive sleep apnea (adult/pediatric)

Q. Can you clarify if the first diagnosis is the reason for the test or the findings?

A. The first diagnosis will be the reason for testing (the symptoms why the patient is considered a candidate for HSAT). For Medicare's covered list of diagnosis codes please refer to your Part B Medicare Administrator Contractor Sleep Studies Local Coverage Determination (LCD) policy. Code also any underlying conditions. The provider should document the evaluation of the patient as evidence that there was cause for the test.

PLACE OF SERVICE

Q. What Place of Service (POS) codes should be used when billing for the WatchPAT HSAT?

A. According to Medicare regulations the POS code shall be assigned as the same setting in which the beneficiary received face-to-face services. In cases where the face-to-face requirement is eliminated (such as those when a provider performs the professional component/ interpretation of a diagnostic test from a distant site), the POS code assigned by the physician for the professional component of a diagnostic service shall be the setting in which the beneficiary received the technical service.

In the case of an HSAT, this would mean that a POS of 11 for physician office would be appropriate for both the professional and technical components of an HSAT.

However, many Medicare MACs request that POS 12 for home be used for the technical component of an HSAT and POS 11 be used for the professional component. Some Medicare MACs request that when using 95800, POS 11 should be utilized and when using G0400, POS 12 should be used.

Because of the variety of reporting requirements, to refer to the Medicare LCD or commercial payer medical policy to ensure POS reporting follows their guidelines.

Q. What POS code is used to bill the technical component of HSAT performed by an outpatient hospital?

A. POS code 22 is reported for services rendered by an outpatient hospital facility.

Commonly Used POS Codes

PLACE OF SERVICE	CATEGORY	CODE
Physician Office	Non-Facility	11
Patient Home	Non-Facility	12
Outpatient Office	Facility	22

FREQUENCY

Q: Is there a limit to how many sleep studies a patient may have?

A: Some payer medical policies restrict frequency to several times per year while for other plans do not. Each test must be proven to be reasonable and necessary with supporting documentation. Check the payer policy to confirm if the payer in question has any limits in place.

Q: How often can HSAT be performed and qualify for third party payer reimbursement?

A: Payers vary on the number of sleep studies that are considered medically necessary per year. Payers will cover HSAT when it is medically necessary to repeat a study (i.e., technical failure) or if a re-evaluation is needed. It is recommended to review the respective payer medical policy and, in some cases, to seek a prior authorization.

Q. How many consecutive nights of study can be performed and reimbursed?

A: Medicare and many commercial state that if you perform two or three nights of study it will only be reimbursed as one night of study. However, more than one night of study may be covered if medical necessity is established, or as outlined under provider and payer contract arrangements.

ACCREDITATION

MEDICAL PHYSICIANS

Q. Does a physician need to have sleep credentialing to bill for an HSAT?

A: Since credentialing and accreditation requirements vary by payer, check with the payer to ensure compliance.

Q. What are the requirements for physicians interpreting HSAT in a different state than the state where the test was performed?

A: State licensure requirements vary from state to state. However, in most states it is required that a physician interpreting a test hold a medical license in the state in which the test was performed. In the case of HSAT, in most cases the physician interpreting the test will be required to hold a license in the state where the patient was tested.

Q. Can a provider be subcontracted from a different state to perform the home sleep test setups, even though they are not a Medicare provider? Would we bill since we are the contracted provider?

A: No, the subcontracted provider "setting up" the technical portion, must be enrolled with their respective Medicare MAC and bill their state to be paid correctly in their locality.

Q: What is the appropriate way to bill when a separate contracted provider does the interpretation?

A: Each provider must enter their address in the billing form with the appropriate modifier.

For example:

The technical component was performed by in Denver, CO. The address in Denver should be listed and the code 95800-TC
The professional component was performed in Seattle, WA. The address in Seattle should be listed and the code 95800-26

DENTISTS

Q: Are dentists allowed to order diagnostic tests for sleep apnea? Can dentists order home sleep studies as well?

A: Whether or not a dentist is legally permitted to order a home sleep study depends on the scope of the practice of dentistry under state law. Each state has a statute that specifically defines the scope of dental practice. Dentists are advised to review their state statutes or contact their State Board of Examiners.

SLEEP MEDICINE GLOSSARY AND ACRONYMS

ABBREVIATIONS

AAI	Autonomic Arousal Index	MAD	Mandibular Advancement Devices
AHI	Apnea-Hypopnea Index	NA	Not Applicable
AHRQ	Agency for Healthcare Research and Quality	NREM	Non-Rapid Eye Movement
ASDA	American Sleep Disorders Association	NS	Non-Significant
ARI	American Sleep Disorders Association-based arousal index	ODI	Oxygen Desaturation Index
AASM	American Academy of Sleep Medicine	OOO	Out-Of-Center
AUC	Area Under the Curve	OSA	Obstructive Sleep Apnea
CER	Comparative Effectiveness Review	PAT	Peripheral Arterial Tone
CHF	Congestive Heart Failure	PAT-AAI	Peripheral Arterial Tone-based Autonomic Arousal Index
CI	Confidence Interval	PSG	polysomnography
CMS	Centers for Medicare and Medicaid Services	pt	patient
COPD	Chronic Obstructive Pulmonary Disease	r	correlation
CPAP	Continuous Positive Airway Pressure	RDI	Respiratory Disturbances Index
CSB	Cheyne-Stokes Breathing	REM	Rapid Eye Movement
CTAF	California Technology Assessment Forum	RERA	Respiratory Effort Related Arousal
ECG	Electrocardiogram	ROC	receiver operator characteristics
EEG	Electroencephalogram	SCOPER	Sleep, Cardiovascular, Oximetry, Position, Effort and Respiratory
EMG	Electromyogram	SRBD	Sleep-Related Breathing Disorders
EOG	Electrooculogram	SMD	Standardized Mean Difference
ESS	Epworth Sleepiness Scale	TST	True Sleep Time
FDA	Food and Drug Administration	TRT	Total Recording Time
h	hour	US	United States
HR	Heart Rate	vs	versus
HSAT	Home Sleep Apnea Test	w/	with

DEFINITIONS

TERM	DEFINITION
Apnea-Hypopnea Index (AHI)	Index used to indicate the severity of sleep apnea; represented by the number of apnea and hypopnea events per hour of sleep
Epoch	30-second time segment used in sleep scoring
Oxygen Desaturation Index (ODI)	Index used to indicate the number of arterial blood oxygen desaturations per hour of sleep. ODI can be measured using 3% or 4% decrease in desaturation.
Respiratory Disturbances Index (RDI)	Index used to indicate the severity of sleep apnea; represented by the number of apnea, hypopnea and RERA events per hour of sleep
Respiratory Effort Related Arousal	A sleep arousal event that is associated with respiratory effort
Sleep-related breathing disorders	A general term for all types of sleep apnea

CODING RESOURCES AND REFERENCES

ITAMAR MEDICAL RESOURCES

Reimbursement materials may be found at:

<https://www.itamar-medical.com/watchpat-reimbursement/>

OTHER RESOURCES

AASM (American Academy of Sleep Medicine) – <http://www.aasmnet.org>

American Medical Association: www.ama-assn.org

- 2022 Current Procedural Terminology (CPT®), Professional Edition, ©2021 American Medical Association (AMA). All Rights Reserved
- CPT® Assistant: A monthly coding publication of the American Medical Association

American Medical Association

- ICD-10-CM 2022 Standard, Complete Official Codebook. AMA ©2021 (www.nchs.cdc.gov)

Medicare Program website: www.cms.gov



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