

**Health Partners of Philadelphia, Inc.**  
**Freestanding Ambulatory Surgery Center Billing Guide**

**Introduction**

Health Partners of Philadelphia, Inc. does business as **Health Partners** (Medicaid). Health Partners of Philadelphia, Inc. is required by State and Federal regulations to capture specific data regarding services rendered to its members. This guide is intended to help providers submit this data so that the data collection requirement can be met.

This billing guide is also designed to provide Health Partners providers with current policy, billing criteria, and reimbursement information for Freestanding Ambulatory Surgery Centers (ASCs).

**Ambulatory Surgery Centers**

An ASC is a distinct entity which operates exclusively to provide outpatient surgical services. To be a participating ASC with Health Partners, a facility must meet our credentialing criteria and enter into a written agreement with Health Partners.

To become a participating ASC, please contact:

Provider Services Helpline: (888) 991-9023  
Hospital Networks: (215) 991-4218

**Covered Services**

To be considered an Ambulatory Surgery procedure, a procedure must involve all of the following services:

- (1) An operating room procedure;
- (2) Anesthesia;
- (3) Recovery services.

Covered ASC facility services are defined as those services furnished by an ASC in connection with a covered surgical procedure which procedure would otherwise be covered in a hospital, furnished on an inpatient or outpatient basis. The facility payment rate includes only the covered ASC facility services.

Covered services which are included in the ASC facility rate include, but are not limited to, the following:

- Nursing services, services of technical personnel, and other related services;
- Use of the ASC facilities by the patient;
- Drugs, biologicals, surgical dressings, supplies, splints, casts, appliances, and equipment;
- Diagnostic or therapeutic items and services (including simple preoperative laboratory tests, e.g., urinalysis, blood hemoglobin or hematocrit);

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- Administrative, record keeping, and housekeeping items and services;
- Blood, blood plasma, platelets, etc., except for those to which the blood deductive applies;
- Materials for anesthesia; and

**ASC Services Not Included in the ASC Facility Rate**

Certain items and services such as those listed below may be otherwise covered by Health Partners and may be provided in the ASC but are **not** included in the ASC facility rate:

- Physician services;
- The sale, lease, or rental of durable medical equipment (DME) to ASC patients for use in their homes;
- Prosthetic Implants
- Intraocular lenses (IOLs).
- Ambulance services;
- Leg, arm, back and neck braces;
- Artificial legs, arms and eyes; and
- Services performed by an independent laboratory;
- Pre-operative testing, other than described above.

If required, these excluded services must be provided by a Health Partners participating physician, laboratory, or other ancillary provider.

**Facility Reimbursement**

Health Partners will pay lesser of allowable billed charges or the rates for Covered Services according to the current Health Partners ASC fee schedule based on the ambulatory surgical classifications as defined by CMS.

**Facility Reimbursement-Multiple Procedures**

More than one surgical procedure may be performed in the same operative session. Special rules apply to this situation. When two or more procedures are performed, the ASC will be reimbursed at the full rate for the procedure classified in the highest payment group. Any other procedures performed during the same session are reimbursed at 50% of the procedure's applicable group rate. If the procedures are within the same group, the ASC should be reimbursed for the full rate for one procedure and at 50% of the rate for the others.

Payment for eligible bilateral procedures will be reimbursed at 150% of the applicable rate. Procedures eligible for the bilateral payment adjustment will be those defined by Health Partners.

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At no time should an ASC bill for anesthesiology, surgery, or assistant at surgery services. The anesthesiologist, surgeon, and assistant surgeon would be submitting separate claims for their professional reimbursement.

**Reporting Instructions for ASC Facility Services –  
Using CMS-1500 form or 837P EDI transaction**

- The ASC should report the surgical procedure code which accurately reflects the service provided.
- Report the place of service as 24 (ambulatory surgical center).
- Indicate "Ancillary" provider in field 19.
- Report required procedure code modifier SG in the first modifier position (ambulatory surgical center facility services only). Physicians should not report this modifier when billing for their professional service.
- As per the Health Insurance Portability and Accountability Act of 1996 (HIPAA), all electronic transactions and code sets must be in HIPAA standard format (ASCX12N). To assist you with compliance efforts the 837 transaction companion guides are available through the Health Partners website at <http://www.healthpart.com/HIPAA.asp>.

**Note:** Refer to the claims completion chart found on [www.healthpart.com](http://www.healthpart.com) or in Section V of the Health Partners Provider Manual for complete report information.

**ASC Special Instructions**

**EDI Submission**

Report procedure code with the actual or acquisition cost as documented on the invoice in addition to the charge for the facility service. The Report Type Code "IV" (Invoice) should be used with Report Transmission Code "AA" (Available on Request at Provider Site) in the PWK segment of the 837P.

Report the **individual** acquisition cost.

**Note:** Invoices must be kept on file and available for review in the provider's office for verification purposes, per Section 8.1 and 8.3 of the Ancillary Services Agreement.

**Paper submission**

Report procedure code with the actual or acquisition cost as documented on the invoice in addition to the charge for the facility service.

Report the **individual** acquisition cost.

**Note:** Invoices must be kept on file and available for review in the provider's office for verification purpose, per Section 8.1 and 8.3 of the Ancillary Services Agreement.

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**Molteno Valve**

Health Partners will separately reimburse ASCs for Molteno valves (L8612) implanted during covered glaucoma surgery. Molteno valves are considered prosthetic devices and are generally implanted into the eyes of patients with advanced glaucoma in order to preserve their sight.

**Corneal Tissue Acquisition**

Reimbursement may be made for the “processing, preserving, and transporting of corneal tissue” (code V2785) associated with keratoplasty procedures performed in an Ambulatory Surgery Center.

**Implantable Venous Access Portals**

Payment may be made for implantable access total catheter, port/reservoir (procedure code A4301) furnished by a Health Partners participating ASC in conjunction with insertion of an implantable venous access device.

**Implantable Devices**

Payment may be made for the following implantable devices furnished by Health Partners participating ASCs:

- E0782 – Infusion pump, implantable, non-programmable
- E0783 – Infusion pump system, implantable, programmable
- E0785 – Implantable intraspinal (epidural/intrathecal) catheter used
- E0786 – Implantable programmable infusion pump, replacement

**Prosthetic Implants**

Health Partners will separately reimburse ASCs for prosthetics procedure codes L8600 – L8690 implanted during the specified covered surgeries. Ambulatory Surgery Centers should use these codes when reporting implant procedure services. Report the specific prosthetic code and applicable charge on a separate line on the facility claim. All these prosthetics are related to procedures that are on the current ASC list.

**Code Terminology**

**Integumentary System**

L8600	Implantable breast prosthesis, silicone or equal
L8603	Injectable bulking agent, collagen implant, urinary tract
L8606	Injectable bulking agent, synthetic implant, urinary tract

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**Head (skull, facial bones and temporomandibular joint)**

L8610	Ocular implant
L8612	Aqueous shunt
L8613	Ossicula implant
L8614	Cochlear device/system
L8619	Cochlear implant external speech processor, replacement

**Upper extremity**

L8630	Metacarpophalangeal joint
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**Lower extremity (joint, knee, ankle, toe)**

L8641	Metatarsal joint
L8642	Hallux implant

**Miscellaneous muscular-skeletal**

L8658	Interphalangeal joint implant
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**Cardiovascular system**

L8670	Vascular graft material, synthetic
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**Intraocular lens (IOLs)**

IOLs are “bundled” into facility payment groups 6 and 8.

**Payment for Terminated Procedures**

Modifier 73/74 is required on an ASC claim for payment of terminated surgery.

Note: Operative reports must be kept on file and available for review in the provider’s office for verification purposes with the following information:

- Reason for termination of surgery;
- Services actually performed;
- Supplies actually provided;
- Services not performed that would have been performed if surgery had not been terminated;
- Supplies not provided that would have been provided if the surgery had not been terminated;
- Time actually spent in each stage, e.g., pre-operative, operative, and post-operative;

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- Time that would have been spent in each of these stages if the surgery had not been terminated; and
- CPT-4 code for procedure had the surgery been performed.

**Claim submission**

**Health Partners EDI Claims Submission Information**

As per the Health Insurance Portability and Accountability Act of 1996 (HIPAA), all transactions and code sets must be in HIPAA standard format (ASCX12N). To assist you with compliance efforts the 837 transaction companion guides are available through the Health Partners website at <http://www.healthpart.com/HIPAA.asp>.

If you are not submitting your own claims, please forward this Guide to your clearinghouse or other entity responsible for your transactions. If you have any questions please contact our EDI Support Line at 215-991-4290. EDI inquiries may also be submitted at [http://www.healthpart.com/edi-inquiry\\_claim.asp](http://www.healthpart.com/edi-inquiry_claim.asp).

**Ambulatory Surgery Center Claim Completion Chart**

**Health Partners Paper Claims Submission Information**

ASC paper claims should be submitted to the following address:

Mail:

**Health Partners**

Attn: Ancillary Claims  
Health Partners  
PO Box 1220  
Philadelphia, PA 19105-1220