

# Outpatient Surgical Procedures – Site of Service (for Tennessee Only)

**Policy Number:** CS143TN.P  
**Effective Date:** August 1, 2025

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## Application

This Medical Policy applies to Medicaid and CoverKids in the state of Tennessee.

## Coverage Rationale

UnitedHealthcare members may choose to receive surgical procedures in an ambulatory surgical center (ASC) or other locations. We are conducting site of service medical necessity reviews, however, to determine whether the outpatient hospital department is medically necessary, in accordance with the terms of the member’s benefit plan. If the outpatient hospital department is not considered medically necessary, this location will not be covered under the member’s plan.

**Certain planned surgical procedures performed in a hospital outpatient department are considered medically necessary for an individual who meets any of the following criteria:**

- Advanced liver disease (MELD Score > 8)
- Advance surgical planning determines an individual requires overnight recovery and care following a surgical procedure
- Anticipated need for transfusion
- Bleeding disorder requiring replacement factor or blood products or special infusion products to correct a coagulation defect
- Cardiac arrhythmia (symptomatic arrhythmia despite medication)
- Chronic obstructive pulmonary disease (COPD) (FEV1 < 50%)

- Coronary artery disease (CAD)/peripheral vascular disease (PVD) [ongoing cardiac ischemia requiring medical management or recently placed (within 1 year) drug eluting stent]
- Developmental stage or cognitive status warranting use of a hospital outpatient department
- End stage renal disease [(hyperkalemia above reference range) receiving peritoneal or hemodialysis]
- History of cerebrovascular accident (CVA) or transient ischemic attack (TIA) [recent event (< 3 months)]
- History of myocardial infarction (MI) [recent event (< 3 months)]
- Individuals with drug eluting stents (DES) placed within one year or bare metal stents (BMS) or plain angioplasty within 90 days unless acetylsalicylic acid and antiplatelet drugs will be continued by agreement of surgeon, cardiologist, and anesthesia
- Ongoing evidence of myocardial ischemia
- Poorly Controlled asthma (FEV1 < 80% despite medical management)
- Pregnancy
- Prolonged surgery (> 3 hours)
- Resistant hypertension ([Poorly Controlled](#))
- Severe valvular heart disease
- Sleep apnea [moderate to severe [Obstructive Sleep Apnea](#) (OSA)]
- Uncompensated chronic heart failure (CHF) (NYHA class III or IV)
- Uncontrolled diabetes with recurrent diabetic ketoacidosis (DKA) or severe hypoglycemia
- Under 18 years of age unless otherwise required by federal, state, or contractual requirements

**A planned surgical procedure performed in a hospital outpatient department is considered medically necessary if there is an inability to access an ambulatory surgical center for the procedure due to any one of the following:**

- An ASC's specific guideline regarding the individual's health conditions or weight that would preclude management of an individual within an ASC setting; or
- There is no geographically accessible ambulatory surgical center that has the necessary equipment for the procedure [examples include but are not limited to fluoroscopy, laser, ocular equipment, operating microscope, and nonstandard scopes required to perform specialized procedures (i.e., duodenoscope, ureteroscopy)\*]; or
- There is no geographically accessible ambulatory surgical center available at which the individual's physician has privileges

\***Note:** This specifically excludes surgeon preferred or proprietary instruments, instrument sets, or hardware sets.

## Planned Surgical Procedures List

Site of service medical necessity reviews will be conducted for certain surgical procedures only when performed in an outpatient hospital setting. For the complete list of surgical procedure codes requiring prior authorization for each state, refer to the [UnitedHealthcare Community Plan Prior Authorization List](#). (Accessed April 24, 2025)

## Definitions

Refer to the federal, state, and contractual requirements that supersede the definitions below.

**ASA Physical Status Classification System Risk Scoring Tool:** The American Society of Anesthesiologists (ASA) physical status classification system was developed to offer clinicians a simple categorization of a patient's physiological status that can be helpful in predicting operative risk. The ASA score is a subjective assessment of a patient's overall health that is based on five classes (ASA, 2020).

**Obstructive Sleep Apnea (OSA):** The American Academy of Sleep Medicine (AASM) defines OSA as a sleep related breathing disorder that involves a decrease or complete halt in airflow despite an ongoing effort to breathe. OSA severity is defined as:

- Mild for AHI or RDI  $\geq 5$  and  $< 15$
  - Moderate for AHI or RDI  $\geq 15$  and  $\leq 30$
  - Severe for AHI or RDI  $> 30$ /hr
- (AASM, 2008)

**Poorly Controlled:** Requiring three or more drugs to control blood pressure (Sheppard, 2017).

## References

American Academy of Sleep Medicine (AASM). Obstructive Sleep Apnea. 2008. Available at: <https://aasm.org/resources/factsheets/sleepapnea.pdf>. Accessed March 25, 2025.

American Heart Association. Classes of Heart Failure. March 1, 1994. Reviewed June 7, 2023.

American Society of Anesthesiologists ([ASA Physical Status Classification System](#)). December 13, 2020. Accessed March 25, 2025.

American Society of Anesthesiologists. Position Statement for distinguishing monitored anesthesia care (“MAC”) from moderate sedation/analgesia (conscious sedation). October 18, 2023.

American Society of Anesthesiologists. Statement on Ambulatory Anesthesia and Surgery. October 17, 2018. Amended October 18, 2023.

American Society of Anesthesiologists. Statement on Patient Care in Anesthesiology. October 13, 2021.

Medicare Claims Processing Manual. Chapter 14 - Ambulatory Surgical Centers.

Practice guidelines for moderate procedural sedation and analgesia 2018: a report by the American Society of Anesthesiologists Task Force on Moderate Procedural Sedation and Analgesia, the American Association of Oral and Maxillofacial Surgeons, American College of Radiology, American Dental Association, American Society of Dentist Anesthesiologists, and Society of Interventional Radiology. *Anesthesiology*. 2018 Mar;128(3):437-479.

Sheppard JP, Martin U, McManus RJ. Diagnosis and management of resistant hypertension. *Heart*. 2017 Aug;103(16):1295-1302.

## Policy History/Revision Information

| Date       | Summary of Changes  |
|------------|---|
| 08/01/2025 | <p><b>Related Policies</b></p> <ul style="list-style-type: none"><li>Removed reference link to the Medical Policy titled <i>Treatment of Temporomandibular Joint Disorders (for Tennessee Only)</i></li></ul> <p><b>Supporting Information</b></p> <ul style="list-style-type: none"><li>Updated <i>References</i> section to reflect the most current information</li><li>Archived previous policy version CS143TN.O</li></ul> |

## Instructions for Use

This Medical Policy provides assistance in interpreting UnitedHealthcare standard benefit plans. When deciding coverage, the federal, state, or contractual requirements for benefit plan coverage must be referenced as the terms of the federal, state, or contractual requirements for benefit plan coverage may differ from the standard benefit plan. In the event of a conflict, the federal, state, or contractual requirements for benefit plan coverage govern. Before using this policy, please check the federal, state, or contractual requirements for benefit plan coverage. UnitedHealthcare reserves the right to modify its Policies and Guidelines as necessary. This Medical Policy is provided for informational purposes. It does not constitute medical advice.

UnitedHealthcare may also use tools developed by third parties, such as the InterQual® criteria, to assist us in administering health benefits. UnitedHealthcare Medical Policies are intended to be used in connection with the independent professional medical judgment of a qualified health care provider and do not constitute the practice of medicine or medical advice.