UHA
HEALTH INSURANCE

Perioperative Co-Management

I. Policy

When a physician performs a patient's surgical services and another physician provides the pre-operative and/or post-operative management, an agreement to share the "global" service package may be obtained. University Health Alliance (UHA) will reimburse for post-surgical co-management care when determined to be medically necessary and within the medical criteria guidelines (subject to limitations and exclusions) indicated below.

II. Modifiers

Global Component Modifiers used when submitting co-managed claims

Modifier 54 - Surgical Care Only – The surgeon appends modifier 54 to his/her claim to indicate shared services. The surgeon's payment is then limited to the pre-operative and intra-operative components of the fee schedule amount.

Modifier 55 - Post-Operative Management Only – The physician sharing care appends modifier 55 to his/her claim. The Physician payment is then limited to the post-operative component of the fee schedule amount. Typically, 20% of the allowed amount of the surgery.

For Cataract surgery, a formal **transfer of care** is required.

III. Criteria/Guidelines

A. UHA will reimburse for peri-operative care within the following guidelines:

1. If the physician who performs surgery relinquishes care after the surgery, he/she need only show the date of surgery and bill the surgical procedure code with modifier 54.

2. If the surgeon continues to care for the patient for some period following the surgery, he/she should bill the date of surgery, the surgical procedure code with modifier 54 (indicating surgery only) and a separate line item with the date of surgery, surgical procedure code with modifier 55 (indicating post-operative care).

a. In this case, it would be necessary to show the dates during the post-operative period for which he/she was responsible.

3. The receiving doctor cannot bill for any part of the service included in the global period until he/she has provided at least one service.
4. Genuine medical necessity/ rationale for post-operative management, with a hospitalist, for example, must be documented.

B. **Cataract Surgery/Optometry co-management:**

1. Co-management requires a written transfer agreement between the Ophthalmologist (surgeon) and the Optometrist (receiving provider). Specific modifiers must be used on claims (see modifiers, section II: 54 - surgical care only; 55 – post-operative management only).

a. The transfer agreement between the surgeon (ophthalmologist) and the co-managing doctor (optometrist) must contain the surgeon's discharge instructions and the effective transfer date. The transfer date is determined by the date of the physicians transfer order.

b. The responsibility for post-operative care may be transferred on or before the patient's appointment for the subsequent follow-up visit with the receiving doctor, who may submit a claim for services once the patient has been seen.

c. A unique transfer agreement must be constructed for each patient. The essential elements of the Transfer of Care Form from the surgeon to the optometrist should include the following:
   i. Patient Name
   ii. Operative Eye
   iii. Nature of Operation
   iv. Date of Surgery
   v. Clinical Findings
   vi. Discharge Instructions
   vii. Transfer Date
   viii. The ophthalmologist attestation as to the optometrist's qualifications to assume care and to the appropriateness of post op care being provided in another practice.

2. The optometrist should assume care of the patient on the following day. The transfer form determines the "transfer date," as well as corresponding reimbursement for claims submitted.
   a. The receiving doctor cannot bill for any part of the service included in the global period until he/she has provided at least one service.

   b. Because the surgeon cannot be certain the patient will actually keep the appointment with the optometrist, communication from the optometrist is necessary and is evidence that the optometrist actually saw the patient, and is in compliance with the requirement that the optometrist has provided at least one service.

   c. Both doctors should retain copies of this documentation as part of the patient's permanent records. They may also serve as a useful attachment on claims, as necessary.

IV. Limitations and Exclusions

A. Financial compensation to the non-operating practitioner will be consistent with the following principles:

   1. The non-operating practitioner's co-management fees should be commensurate with the service(s) actually provided, and should be separately billed by the non-operating practitioner.

   2. The co-management arrangement should be consistent with all standard billing and coding rules and should not result in higher charges to UHA than would occur without co-management.

   3. The patient should be informed of, and consent in writing to, any financial compensation to the non-operating practitioner resulting from the co-management arrangement, and any additional fees that the non-operating practitioner may charge beyond those covered by UHA.

   4. For services that are not covered by UHA, other fee structures may be appropriate, though they should also be commensurate with the services provided, disclosed and consented to in writing by the patient, and otherwise comply with all applicable federal and state laws and regulations.

B. UHA philosophy is in agreement with the Academy of Ophthalmology Ethics guidelines with respect to post-operative cataract surgery care, as follows:

   1. The providing of post-operative eye care until the patient has recovered is integral to patient management. The operating ophthalmologist should provide those aspects of postoperative eye care within the unique competence of the ophthalmologist (which do not include those

permitted by law to be performed by auxiliaries). Otherwise, the operating ophthalmologist must make arrangements before surgery for referral of the patient to another ophthalmologist, with the patient's approval and the other ophthalmologist's approval. The operating ophthalmologist may make different arrangements for the provision of those aspects of post-operative eye care within the unique competence of the ophthalmologist in special circumstances, such as emergencies or when no ophthalmologist is available, so long as the patient's welfare and rights are the primary considerations. Fees should reflect post-operative eye care arrangements with advance disclosure to the patient."

C. ***NOTE:***

This UHA payment policy is a guide to coverage, the need for prior authorization and other administrative directives. It is not meant to provide instruction in the practice of medicine and it should not deter a provider from expressing his/her judgment.

Even though this payment policy may indicate that a particular service or supply is considered covered, specific provider contract terms and/or members' individual benefit plans may apply, and this policy is not a guarantee of payment. UHA reserves the right to apply this payment policy to all UHA companies and subsidiaries.

UHA understands that opinions about and approaches to clinical problems may vary. Questions concerning medical necessity (see Hawaii Revised Statutes §432E-1.4) are welcome. A provider may request that UHA reconsider the application of the medical necessity criteria in light of any supporting documentation.

V. Administrative Guidelines

A. Prior authorization is not required.

VI. Policy History

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