CHAPTER 7
SECTION 19.1

DIAGNOSTIC SLEEP STUDIES

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I. CPT[1] PROCEDURE CODES

95805-95811, 95822, 95827

II. HCPCS PROCEDURE CODES

G0398, G0399

III. DESCRIPTION

Sleep studies and polysomnography refer to the continuous simultaneous monitoring and recording of various physiological and pathophysiological parameters of sleep for six or more hours with physician review, interpretation, and report. The studies are performed to diagnose a variety of sleep disorders and to evaluate a patient's response to therapies such as Nasal Continuous Positive Airway Pressure (NCPAP). Polysomnography is distinguished from sleep studies by the inclusion of sleep staging which is defined to include a 1-4 lead electroencephalogram (EEG), electro-oculogram (EOG), and a submental electromyograma (EMG). Additional parameters of sleep include: ECG; airflow; ventilation and respiratory effort; gas exchange by oximetry, transcutaneous monitoring, or end tidal gas analysis; extremity muscle activity, motor activity-movement; extended EEG monitoring; penile tumescence; gastroesophageal reflux; continuous blood pressure monitoring; snoring; body positions; etc.

IV. POLICY

Diagnostic testing can be covered only if the patient has the symptoms or complaints of one of the conditions listed below:

A. Narcolepsy. This term refers to a syndrome characterized by abnormal sleep tendencies, including excessive daytime sleepiness, disturbed nocturnal sleep and pathological manifestation of Rapid Eye Movement (REM) sleep. The most typical REM sleep manifestations are cataplexy and sleep-onset REM periods, but sleep paralysis and hypnagogic hallucinations may also be present. Related diagnostic testing (e.g., Multiple Sleep Latency Test - CPT[1] procedure code 95805) is covered if the patient has inappropriate

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sleep episodes (e.g., while driving, in the middle of a meal, in the midst of conversation), amnesiac episodes, or continuous agonizing drowsiness.

B. Obstructive Sleep Apnea Syndrome (OSAS).

C. Impotence effective February 1, 1988.

D. Diagnostic testing for OSAS is a covered benefit. An Food and Drug Administration (FDA) approved dental orthosis may be covered for the treatment of OSAS. The device must be used for the treatment of OSAS and not for adjunctive dental.

E. Effective February 3, 1991, for parasomnias, that is abnormal sleep behavior, such as bruxism, sleepwalking, enuresis, and seizure disorder evaluations when the distinction between seizure activity and other forms of sleep disturbances is uncertain.

F. An unattended home/portable sleep study is proven and covered as an alternative to in-facility Polysomnography (PSG) for the diagnosis of Obstructive Sleep Apnea (OSA) in an adult when ALL of the following criteria are met:

1. When ordered by a physician board eligible/board certified in sleep medicine.

2. When the patient meets all of the following criteria:

a. High pretest probability of OSA as evidenced by clinical features, signs and symptoms (e.g., age, sex, Body Mass Index (BMI), loud snoring, awakening with gasping or choking, excessive daytime sleepiness, observed cessation of breathing during sleep);

b. The ordering physician determines a home portable sleep study is an appropriate alternative to in-laboratory PSG;

c. No significant co-morbid conditions exist that could impact the accuracy of the study (e.g., moderate to severe pulmonary disease, neuromuscular disease, congestive heart failure);

d. No sleep disorders other than OSA are suspected (e.g., central sleep apnea, periodic limb movement disorder, insomnia, parasomnias, circadian rhythm disorders, narcolepsy); or

e. Diagnosis of OSA has been established, therapy has been initiated, and response to treatment is to be evaluated.

3. When the following type of portable monitor is used:

a. Type II monitor with a minimum of seven channels (e.g., electroencephalogram (EEG) and electro-oculogram (EOG) for sleep staging, electrocardiogram (ECG), chin electromyogram (EMG), airflow, breathing/respiratory effort, and oxygen saturation.

b. Type III monitor with a minimum of four monitored channels including ventilation or airflow (at least two channels of respiratory movement or respiratory movement and airflow), heart rate or ECG, and oxygen saturation.

c. Type IV monitors will not be covered.

4. When the portable monitor has been validated in a typical home environment.

5. When test results are reviewed and interpreted by a physician board eligible/board certified in sleep medicine.

6. All testing must be performed using an FDA approved portable monitoring device.

V. POLICY CONSIDERATIONS

A. Referral by Attending Physician. The patient must be referred to the sleep disorder center by the attending physician, and the center must maintain a record of the attending physician's referral. If a copy of the referral is not submitted with the claim, the contractor must develop for a referral.

B. Diagnostic Testing. The need for diagnostic testing is confirmed by medical evidence, e.g., physical examinations and laboratory tests.

C. For narcolepsy there must be documentation that the condition is severe enough to interfere with the patient's health and well-being. Ordinarily, a maximum of two clinic sleep sessions is sufficient for diagnosis. Claims in excess of two clinic sleep sessions must be referred to the contractor's medical review.

D. Claims for diagnostic sleep studies shall be processed and paid as outpatient services. Patients who undergo the testing are not considered inpatients, although they may come to the facility in the evening for testing and then leave after their tests are over.

E. Institutional and professional charges related to sleep diagnostic testing performed in a TRICARE-approved hospital are covered only for narcolepsy, sleep apnea, impotency, parasomnia, and suspected epilepsy when the distinction between seizure activity and other forms of sleep disturbances is uncertain on an outpatient cost-sharing basis.

F. Authorized-Freestanding Clinics. Payment may be made for sleep diagnostic testing performed by a freestanding clinic under the "physician-directed clinic" category.

NOTE: A "physician-directed clinic" is one where (a) a physician (or a number of physicians) is present to perform medical (rather than administrative) services at all times the clinic is open; (b) each patient is under the care of a clinic physician; and (c) the non-physician services are under medical supervision.

VI. EXCLUSIONS

A. Electrosleep Therapy. Electrosleep therapy is the application of short duration, low-amplitude pulses of direct current to the patient's brain by externally placed occipital electrodes. Passage of the weak electric current through the tissues of the head induces sleep. This modality is considered unproven, as its efficacy has not been established in the United States. Claims for electrosleep therapy must, therefore, be denied.

B. Study, Grant, or Research Programs. Payment may not be made for any services or supplies provided as a part of or under a grant or research program.

C. Sleep testing is not indicated for patients whose complaint is of short duration or for patients who do not experience functional disability during the day.

D. Diagnostic testing that is duplicative of previous testing done by the attending physician, to the extent the results are still pertinent, is not covered.

E. Payment may not be made for diagnostic sleep testing of the conditions listed below. These conditions can be diagnosed through other, more appropriate means:

1. Drug dependency
2. Hypersomnia (pathologically excessive sleep)
3. Insomnia
4. Night terrors or dream anxiety attacks
5. Nocturnal myoclonus (muscle jerks)
6. Restless leg syndrome
7. Shift work and schedule disturbances
8. Migraine headaches

F. If the patient has had documented episodes of cataplexy, diagnostic testing for narcolepsy would not be necessary and is, therefore, not covered.

G. Somnoplasty system for obstructive sleep apnea is unproven.

VII. EFFECTIVE DATE

Home/portable sleep studies for the diagnosis of OSA in adults who meet certain criteria are covered, effective May 29, 2008.

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