

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Giese</i>	DATE <i>10-4-12</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>10-098</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>cc: Mr. Tyck</i> <i>* Bz spoke w/ Mr. Garner @</i> <i>2:10 on 10/17/12 regarding letter</i> <i>and explained that he would</i> <i>received response as soon as she receive from his staff.</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>10-16-12</i>  <input type="checkbox"/> FOIA DATE DUE _____  <input type="checkbox"/> Necessary Action

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
<i>He would be out of town until</i>			
<i>1. 10/31/12... still let he know</i> <i>when response is mailed</i>			
<i>* Cleared 11/14/12, letter attached.</i>			
<i>3.</i>			
<i>4.</i>			

**RECEIVED**

OCT 04 2012

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

**Date:** August 21, 2012

**From:** Frederick T Garner MD

Carolina Eye, Ear, Nose, and Throat Associates

2016 Sumter Street, Columbia SC, 2920

Phone #: 803-744-5353. Cell Phone 803-447-5603

**To:** Anthony Keck, Director South Carolina Medicaid.

**Re:** Reimbursement of comprehensive ABRs to Carolina Ear, Eye, Nose, and Throat Assoc.

Mr. Keck: I am writing this letter to you per the direction of the Maureen Ryan and Terry Pugh at Medicaid services. The problem is reimbursement to my practice for performing comprehensive ABR (acoustic brainstem response) diagnostic testing under sedation at the hospital, as well as the hospital getting reimbursement for sedation services rendered for the ABR. The sedation is necessary to obtain an accurate result. The Hospital involved is Palmetto Richland.

**Background information:**

My practice sees a large volume of Medicaid patients. Probably close to 60 to 70% of my patient population is Medicaid. As an ENT practice we provide diagnostic hearing tests for children. One of those tests is called a Comprehensive ABR (CPT code 92585). This is different from the Limited ABR (Newborn Hearing Screen, CPT code 92586) performed in the hospital. This Comprehensive ABR is performed to map out the hearing response at all frequencies of the inner ear when other testing has not been successful. This test requires 45 minutes of the child being quiet and not moving to be accurate. On young infants we can perform this comprehensive ABR in the office and we get reimbursed for the global fee, which includes the technical and professional components, correctly. The test is performed on these infants in natural sleep. In older children it requires sedation to keep the child quiet and still. Additionally this type of ABR is performed by an Audiologist because of the complexity of interpreting the results.

When my practice performs this test for our patients in the hospital, under sedation, it is not getting reimbursed for this procedure because the Medicaid edits interpret this procedure as the Limited (screening) ABR. This type of ABR is performed on newborns, usually by hospital

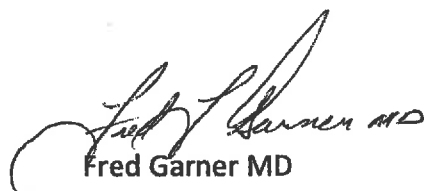
staff or a contract service, and takes 5-10 minutes to complete. I am told the reimbursement for this Limited ABR does not include sedation services and the hospital cannot get reimbursed for these services. The Limited ABR is considered to be performed by hospital personnel, and with hospital owned equipment, so any reimbursement goes to the hospital.

When my practice performs the Comprehensive ABR under sedation at the hospital, no equipment or personnel is supplied by the hospital. The Audiologist is my practice's employee and the equipment is my practice's equipment. Palmetto Richland Hospital does not employ an audiologist nor own the equipment necessary to perform this Comprehensive ABR. I have spent months via my billing staff and then by myself trying to get this problem resolved with Medicaid services. Ms Ryan understood the problem and requested that I obtain a letter from Palmetto Richland to corroborate that they do not own the equipment or employ an audiologist. I did this and was told that the Hospital would not write the letter, not because the requested information in the letter was inaccurate, but because they were concerned that the hospital would not get reimbursed for the sedation services and anesthesia that was necessary to perform the test, if they gave me such a letter. I informed Terry Pugh at Medicaid services and she recommended that I contact you.

#### **Conclusion:**

I am performing this diagnostic service in good faith expecting reimbursement, but now am at an impasse. Medicaid will reimburse me if I obtain this letter from the Hospital. The hospital will not provide me the letter because they are concerned they will not get reimbursed for the sedation necessary for the procedure, by Medicaid. I would like to discuss this further with you. In my mind this is no different than a child who requires sedation for a CT scan or MR scan. There surely must be a solution that is equitable to all concerned. Please contact me at 803-447-5603 (personal cell phone).

Sincerely:



Fred Garner MD

Carolina Eye, Ear, Nose, and Throat Associates

CAROLINA EYE, EAR, NOSE & THROAT ASSOCIATES, LLC

2016 Sumter Street

Columbia, S.C. 29201

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COLUMBIA SC 290

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RECEIVED

OCT 04 2012

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

SCBHTS

Attn: Medical Director / Anthony Keck

PO Box 8200

03 OCT 2012 PM 1 1

Columbia, SC  
COLUMBIA SC 290

29202



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL



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APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1. <i>[Signature]</i>	<i>11-9-12</i>		
2. <i>[Signature]</i>			
3. <i>[Signature]</i>	<i>11/14/12</i> <i>OK</i>	<i>11-18-12</i>	
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Fred Garner MD

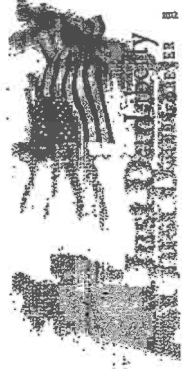
Carolina Eye, Ear, Nose, and Throat Associates

CAROLINA EYE, EAR, NOSE & THROAT ASSOCIATES, LLC

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Department of Health & Human Services  
OFFICE OF THE DIRECTOR

SCBHTS

Attn: Medical Director / Anthony Keck

PO BOX 8204

11 PM 2102 120 80

Columbia, SC 29202

05205 VISION 2008







November 14, 2012

Frederick T. Garner, MD  
Carolina Eye, Ear, Nose, and Throat Associates  
2016 Sumter Street  
Columbia, South Carolina 29201

Dear Dr. Garner:

Thank you for your letter regarding appropriate reimbursement for Comprehensive Auditory Brainstem Response (ABR) testing delivered in an outpatient hospital setting. We appreciate this opportunity to be of assistance.

In reviewing the Comprehensive ABR code when delivered in an outpatient place of service, the South Carolina Department of Health and Human Services (SCDHHS) would expect to see the physician billing CPT code 92585 with modifier 26 on the claim. We would also expect to see the procedure code for conscious sedation if administered by the physician and/or CRNA. In reviewing some of your claims with CPT code 92585, we see an inconsistent pattern of billing which is in conflict with standard billing practice when this procedure is performed in an outpatient setting.

In an outpatient hospital place of service, we reimburse based on two criteria; the professional component and facility which include the use of equipment/technical component. Currently when CPT code 92585 is billed in outpatient hospital place, of service the Physician is paid the professional component and the hospital is paid the technical component via a revenue code. In reviewing the claims for your patients, we see that the hospital is being paid according to policy and the claims for your practice are rejecting because they are not following policy.

The scenario that was described in the letter falls outside of accepted operations, and therefore does not meet correct billing practices. Due to this fact, we are unable to reimburse both provider types for the same activity. We recommend that you continue your dialogue with the hospital concerning reimbursement for the use of your equipment when delivering this service in their facility.

We have reviewed your concern that CPT code 92585 is not covered in the outpatient hospital setting and found that this service is covered through a revenue code. Professional and facility services are reimbursed utilizing two different claim types, and payments are made to two separate entities. Our evaluation of this code indicates that it is reimbursing correctly.

We greatly appreciate your continued support of the South Carolina Medicaid program as we all strive to provide the best healthcare to the citizens of the State. If you have any questions or concerns please contact Ms. Maureen Ryan, Special Projects Manager, Office of Medical and Health Services at (803)-898-1054.

Sincerely,

Melanie "BZ" Giese, RN  
Deputy Director

MG/wm