

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO <i>Bowling</i>	DATE <i>11/29/06</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000376</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>Deaved 5/17/07, letter attached.</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>12/30/06</i> DATE DUE _____
	<input type="checkbox"/> FOIA DATE DUE _____
	<input type="checkbox"/> Necessary Action

APPROVALS <small>(Only when prepared for director's signature)</small>	APPROVE	* DISAPPROVE <small>(Note reason for disapproval and return to preparer.)</small>	COMMENT
1.			
2.			
3.			
4.			



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MEDICAL SERVICES
DHHS

November 21, 2006

Ms. Bowling,

Thank you very much for meeting with Caughman Taylor, M.D., Frankie Christopher (Physician Practice Billing Department), and me on 11/9/06 concerning the Pediatric Sedation Unit and reimbursement issues. There are 2 primary issues-physician billing for deep sedation by pediatric intensivists in our state is problematic and Medicaid is not currently reimbursing our facility for care provided in our Pediatric Sedation Unit. As discussed, we would like to use anesthesia codes to bill for our services just like other pediatric intensivists do in other states such as Georgia.

Pediatric Critical Care Medicine is a relatively young subspecialty whose 1st board examination was offered in 1987. This subspecialty originated within anesthesiology years before this 1st exam. As advances in the care of children have evolved, procedural sedation outside the operating room is now done in many institutions by pediatric intensivists. Pediatric patients require sedation/anesthesia more frequently than adults because of their developmental status and the inability to remain motionless for the necessary time period. Frequently, moderate sedation is inadequate because the patients must be motionless for some studies and procedures in addition to having adequate sedation and analgesia.

The anesthesia codes we would like to use for deep sedation are as follows (as our service evolves this list may not be inclusive of all services that we might provide in the future):

PEDIATRIC CRITICAL CARE MEDICINE – ANESTHESIA CODES

PROCEDURE	ANESTHESIA
Bone Marrow Aspirate	01112
Bone Marrow Biopsy	01112
Bronchoscopy	00320
Casting, involving knee	01420
Casting, SPICA	01130
Central line removal, neck	01670
Central line repair, neck	01670
Chest tube Insertion	00540
Colonoscopy with bx	00810
Colonoscopy with polyp removal	00810
Debridement of burn, 2 nd and 3 rd degree	01951
Debridement of burn, 4 to 9 percent	01952
Endoscopy with bx	00740
Endoscopy with dilation	00740
G-tube change	00700
Joint Aspiration, knee	01380
Joint Aspiration, lower leg, ankle and foot	01462
Liver Biopsy	00702
Lumbar Puncture ± meds	00635
Non-invasive radiology procedure (MRI, CT, US, Fluoro, Nuc Med, ECHO)	01922
PICC line (or other CVL) <2y	00532
PICC line (or other CVL) >2y	00532
Radiation Therapy Anesthesia	01922
Renal Bx	00860
Thoracentesis	00520
Tympanostomy	00120
Vaginal Exam under Anesthesia	00940

Per Susan

Response time

3 weeks

LOG

We will continue to use moderate sedation and the moderate sedation codes when appropriate. 99% of the sedations done in the Pediatric Sedation Unit are deep sedations at this time.

Please bear with me as I reiterate some of the information previously discussed during our meeting.

The Pediatric Sedation Unit opened in October 2005 and currently has provided service to just over 1,075 patients (approximately 20% inpatients and 80% outpatients) Our unit is an approximately 1,000 sq. ft. space located on the second floor of the main hospital adjacent to the GI suite at Palmetto Health Richland. All of our patients receive continuous cardiorespiratory, blood pressure, pulse oximetry and end-tidal CO₂ monitoring. An initial intake history and physical is performed by the staff and physician, intravenous line inserted, and a pre-anesthetic assessment is done prior to the sedation for the procedure or study. The pediatric intensivist actually administers the medication and post-procedure monitoring is performed by dedicated sedation nurses in our unit. We service patients with various needs; however, the main patient categories are as follows.

Gastroenterology-49%
Hematology-Oncology-26%
Radiology-22%
Other-3%

Previously, the pediatric GI patients undergoing endoscopies and colonoscopies were done in the operating room by our anesthesia colleagues and recovered in our PACU. These patients received general endotracheal anesthesia. We currently have done just over 470 GI cases in our Pediatric Sedation Unit.

Likewise, one hundred percent of the Pediatric Hematology Oncology patients were cared for by our anesthesia colleagues in the OR arena. The bulk of these procedures include lumbar punctures for chemotherapy administration and bone marrows ± biopsies. We have done 250 hematology oncology procedures in our Pediatric Sedation Unit.

Prior to the development of our sedation service, our anesthesia colleagues also provided anesthesia services to a large percentage of the radiology patients. We currently are providing IV deep sedation in MRI, CT, and special procedures.

Children's Hospital at Palmetto Health Richland has developed this service to meet a need in our community just as Charleston and Greenville have in addition to many other institutions in other states. Patient, parent, and physician satisfaction with our Pediatric Sedation Unit is outstanding. We have established an excellent safety record and don't just rely on internal quality improvement, but are actively participating in an international pediatric research consortium whose goal is to document the various sedation methods used and assess safety by its thirty-four (34) member institutions.

It is imperative that this service survive and I respectfully request that Medicaid allow us to use anesthesia codes to reimburse our facility for pediatric deep sedation services.

If you need additional information or would like to visit our Pediatric Sedation Unit to appreciate the service we provide first hand please let me know.

Best regards,



Greta S. Harper, M.D
Co-Medical Director Pediatric Critical Care Services
803-434-4603

GSH/mw



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Susan B. Bowling
Acting Director

May 7, 2007

Greta S. Harper, M.D.
Co-Medical Director Pediatric Critical
Care Services
Palmetto Health Children's Hospital
5 Richland Medical Park Drive
Columbia, South Carolina 29023-6897

Dear Dr. Harper: *GSA*

Thank you for your letter requesting approval for Pediatric Intensivists to bill anesthesia codes. We appreciate your taking the time to meet with staff and thoroughly address your request.

We contacted the Georgia and North Carolina Medicaid programs regarding their respective policies relating to reimbursement for anesthesia codes. Georgia reported that Medicaid reimbursement for anesthesia codes is limited to Anesthesiologists and Certified Registered Nurse Anesthetists (CRNAs). North Carolina reported that policy revisions were underway to limit reimbursement of these codes to Anesthesiologists and CRNAs. We also obtained feedback from the South Carolina Society of Anesthesiologists. Based on the information received to date, the Department of Health and Human Services cannot approve your request to allow Medicaid reimbursement for anesthesia codes by Pediatric Intensivists.

Pediatric Intensivists may continue to be reimbursed for CPT codes 99143 through 99145 and 99148 through 99150 as appropriate. Another option may be for the Pediatric Sedation Unit to explore the possibility of hiring CRNAs that would be able to render services within the scope of their practice and receive Medicaid reimbursement.

We regret that we cannot be of more assistance in this matter. Since the Medicaid program periodically reviews covered services and reimbursement methodology, your request may be revisited in the future based on new or additional information received.

Thank you for your inquiry and continued support of the South Carolina Medicaid program. If you have additional questions, please contact Ms. Valeria Williams, Division Director of Physician Services, at (803) 898-2660.

Sincerely,
[Signature]
O. Marion Burton, M.D.
Medical Director

cc: L. Lyndon Key, M.D.
Gerald Atwood, M.D.
William Schmidt, M.D.