Payment Policy: Never Events/Adverse Events & Serious Reportable Events (Commercial)

POLICY NUMBER	EFFECTIVE DATE	APPROVED BY
R20210029	1/01/2021	RPC (Reimbursement Policy Committee)

IMPORTANT NOTE ABOUT THIS REIMBURSEMENT POLICY:

ConnectiCare has policies in place that reflect billing or claims payment processes unique to our health plans. Current billing and claims payment policies apply to all our products, unless otherwise noted. ConnectiCare will inform you of new policies or changes in policies through updates to the Provider Manual and/or provider news. The information presented in this policy is accurate and current as of the date of this publication.

The information provided in ConnectiCare's policies is intended to serve only as a general reference resource for services described and is not intended to address every aspect of a reimbursement situation. Other factors affecting reimbursement may supplement, modify or, in some cases, supersede this policy. These factors may include, but are not limited to: legislative mandates, physician or other provider contracts, the member's benefit coverage documents and/or other reimbursement, medical or drug policies. Finally, this policy may not be implemented exactly the same way on the different electronic claims processing systems used by ConnectiCare due to programming or other constraints; however, ConnectiCare strives to minimize these variations.

ConnectiCare follows coding edits that are based on industry sources, including, but not limited to; CPT guidelines from the American Medical Association, specialty organizations, and CMS including NCCI and MUE. In coding scenarios where there appears to be conflicts between sources, we will apply the edits we determine are appropriate. ConnectiCare uses industry-standard claims editing software products when making decisions about appropriate claim editing practices. Upon request, we will provide an explanation of how ConnectiCare handles specific coding issues. If appropriate coding/billing guidelines or current reimbursement policies are not followed, ConnectiCare may deny the claim and/or recoup claim payment.

Overview

This ConnectiCare reimbursement policy is based on information stated by CMS in its National Coverage Decision (NCD) 140.6 for Wrong Surgical or Other Invasive Procedure Performed on a Patient and is in alignment with the Leapfrog Group and the National Quality Forum (NQF) position on Serious Reportable Events in Healthcare. *For more information see the NQF and Leapfrog Group websites in the References section.*

This policy applies primarily to facilities; Inpatient/Outpatient hospitals, Ambulatory Surgery Centers (ASC), etc. Serious Reportable Events (Never Events) related to surgery (wrong procedure, wrong body part, etc.) apply to surgical procedures performed in any setting, including the office.

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Policy

Consistent with the Centers for Medicare and Medicaid Services (CMS), ConnectiCare will not reimburse for a Surgical or Other Invasive Procedure, or for services related to a particular Surgical or Other Invasive Procedure when any of the following are erroneously performed.

1. A different procedure altogether,
2. The correct procedure, but on the wrong body part,
3. The correct procedure, but on the wrong patient

CMS does not cover services when the wrong surgery procedure is performed, or the correct procedure is performed on the wrong body part or wrong patient. This rule applies to all settings (office, ASC, Outpatient hospital or Inpatient hospital), and all providers in the operating room (surgeon, assistant, anesthesia, perfusionist, etc.)

Providers should report such services as described below and are expected to waive all costs associated with the Wrong Surgical or Other Invasive Procedure Performed on a patient. Participating providers may not bill or collect payment from ConnectiCare members for any amounts not paid due to the application of this reimbursement policy.

ConnectiCare will not reimburse for related services associated with these Wrong Surgical or Other Invasive Procedures Performed on a Patient.

Related services which will not be reimbursed include:

1. All services provided in the operating room related to the error.
2. All providers in the operating room when the error occurs, who could bill individually for their services.
3. All related services provided during the same hospitalization in which the error occurred.

The rendering physician and all other providers performing services related to the erroneously performed procedure are expected to waive all costs associated with the Wrong Surgical or Other Invasive procedure. Participating providers may not bill or collect payment from ConnectiCare members for any amounts not paid due to the application of this reimbursement policy.

Related services do not include:

1. Services provided following hospital discharge, regardless of whether they are related to the surgical error.
2. Performance of the correct procedure.

Definitions:

Term	Definition
Adverse Event	An event, preventable or nonpreventable, that caused harm to a patient as a result of medical care. This includes never events; hospital-acquired conditions; events that required life-sustaining intervention; and events that caused prolonged hospital stays, permanent harm, or death.

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Term	Definition
Never Event/Serious Reportable Event	Defined by CMS: • Non-reimbursable serious hospital-acquired conditions • Errors in medical care which are clearly identifiable, largely preventable, serious in their consequences for patients, and that indicate a real problem in the safety and credibility of a health care facility. *Examples include:* Wrong surgery on a patient, surgery on the wrong patient or wrong body part; foreign body left in a patient after surgery; mismatched blood transfusion; major medication error; severe "pressure ulcer" acquired in the hospital; and preventable post-operative deaths.
Sentinel Event	An unexpected occurrence involving death or serious physiological or psychological injury, or the risk thereof. *The Joint Commission has recommended that hospitals report "sentinel events" since 1995. The National Quality Forum (NQF) Never Events are also considered sentinel events by the Joint Commission*
Surgical or Other Invasive Procedures	• Surgical or Other Invasive Procedures are defined as operative procedures in which skin or mucous membranes and connective tissue are incised or an instrument is introduced through a natural body orifice. • Invasive procedures include a range of procedures from minimally invasive dermatological procedures (biopsy, excision, and deep cryotherapy for malignant lesions) to extensive multi-organ transplantation. • They include all procedures described by the codes in the surgery section of the Current Procedural Terminology (CPT) and other invasive procedures such as percutaneous transluminal angioplasty and cardiac catheterization. • They include minimally invasive procedures involving biopsies or placement of probes or catheters requiring the entry into a body cavity through a needle or trocar. • They do not include use of instruments such as otoscopes for examinations or very minor procedures such as drawing blood

Term	Definition
Wrong Surgical or Other Invasive Procedure Performed on a Patient	• A Surgical or Other Invasive Procedure performed that is not consistent with the correctly documented informed consent for that patient including wrong Surgical or Other Invasive Procedure on a patient; • Surgical or Other Invasive Procedure performed on the wrong body part including surgery on the right body part, but on the wrong location on the body; for example, left versus right (appendages and/or organs), or at the wrong level (spine); and • Surgical or Other Invasive Procedure performed on the wrong patient. ***Excludes emergent situations that occur in the course of surgery and/or whose urgency precludes obtaining informed consent*

Applicable Modifiers:

Outpatient, ASCs and physicians or other health care professionals must report the applicable HCPCS modifier(s) with the associated charges on all lines related to the surgical error:

Modifier	Description
PA	Surgical or other invasive procedure on wrong body part
PB	Surgical or other invasive procedure on wrong body part
PC	Wrong surgery or other invasive procedure on patient

Applicable ICD-10-CM Codes:

Consistent with CMS billing requirements, hospitals are required to submit a no-pay claim (Bill Type 110) to report all charges associated with the erroneous surgery. However, if there are also non-related services/procedures provided during the same stay as the erroneous surgery, hospitals are then required to submit two claims, one claim with services or procedures unrelated to the erroneous surgery and the other claim with the erroneous services/procedures as a no-pay claim.

The non-covered Bill Type 110 must have one of the following ICD-10-CM diagnosis codes reported on the hospital claim to identify the type of erroneous surgery performed.

ICD-10-CM Code	Description
Y65.51	Performance of wrong procedure (operation) on correct patient
Y65.52	Performance of procedure (operation) on patient not scheduled for surgery
Y65.53	Performance of correct procedure (operation) on wrong side of body parts

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References

1. American Medical Association, Current Procedural Terminology (CPT®) and associated publications and services Centers for Disease Control and Prevention, International Classification of Diseases, 10th Revision, Clinical Modification
2. Centers for Medicare and Medicaid Services (CMS) National Coverage Decision (NCD) 140.6 for Wrong Surgical or Other Invasive Procedure Performed on a Patient
3. Centers for Medicare and Medicaid Services, Healthcare Common Procedure Coding System, HCPCS Release and Code Sets
4. The Leapfrog Group: http://www.leapfroggroup.org/home
5. National Quality Forum, Serious Reportable Events: http://www.qualityforum.org/Publications/2008/10/Serious_Reportable_Events_Fact_Sheet_v2.aspx
6. National Quality Forum (NQF). Phrase Book; A Plain Language Guide to NQF Jargon. Washington, DC: NQF.
7. National Quality Forum (NQF). Serious Reportable Events In Healthcare—2011 Update: A Consensus Report. Washington, DC: NQF; 2011.

Revision history

DATE	REVISION
1/2021	• New Policy