Understand guidelines for coding sleep studies

By Meera Mohanakrishnan, CPC

Chronic sleep disorders are common and widespread conditions from which approximately 40 million Americans suffer. However, even more startling than this statistic is the fact that 95% of these cases are undiagnosed and untreated.

Physicians may perform studies to identify a variety of sleep disorders, as well as to evaluate a patient’s response to therapies. Sleep studies and polysomnography provide continuous monitoring of biometrical and physiological factors of sleep for six or more hours. These studies also include physician review, interpretation, and report.

Sleep studies are important because they allow physicians to diagnose conditions that would otherwise go unnoticed. This is because individuals cannot monitor their own sleeping and breathing patterns. Further, untreated sleep disorders may increase a patient’s risk for high blood pressure, heart attack, stroke, and other severe medical conditions.

Justify medical necessity

A physician may recommend a sleep test if the patient has any of the following conditions:

- **Sleep apnea**: This form of a respiratory dysfunction results in cessation or near cessation of respiration. These cessations of breathing may be due to an occlusion of the airway (i.e., obstructive apnea), an absence of respiratory effort (i.e., central sleep apnea) or a combination of these factors (i.e., mixed sleep apnea).

- **Narcolepsy**: This condition is characterized by a powerlessness to remain awake during daylight hours even after adequate nighttime sleep. Patients with narcolepsy experience the inability to remain awake at almost any time, and they lack voluntary control of this behavior.

- **Parasomnias**: This group of behavioral disorders involve brief or partial arousals during sleep, but without marked sleep disruption or impaired daytime alertness. This group of disorders occurs more often in children, but it may persist into adulthood when the occurrence may have more pathologic significance.

- **Other sleep disorders**: Physicians may order sleep tests for other less common sleep disorders as well. For instance, some patients may require testing for periodic limb movement of sleep (PLMS). PLMS is a condition characterized by sudden jerking leg movements that commonly accompany restless leg syndrome.

Know the coding guidelines

Keep the following guidelines in mind when coding for sleep studies:

- Sleep services (i.e., codes 95805–95811) include recording, interpretation, and report. For interpretation only, report modifier -26.

- Report modifier -52 when the study contains fewer than six hours of recording, or in other cases, reduced services, as appropriate.

- The inclusion of sleep staging distinguishes polysomnography from other sleep studies. A trained technologist is present throughout the entire procedure. Note that when a patient undergoes polysomnography, the provider must record and stage the sleep. This staging includes:
  - One to four lead electroencephalogram (EEG)
  - Electro-oculogram
  - Submental electromyogram (EMG)

- CPT code 95807 requires monitoring of the following four specific parameters:
  - Ventilation (nasal or oral airflow)
  - Respiratory effort (motion of thorax and/or abdomen, diaphragm EMG, or pleural pressure)
  - Heart rate or electrocardiogram EKG
  - Oxygen saturation
• When a physician performs two studies independently of one other, code both studies.
• The EEG used during polysomnography differs from that performed for separate diagnostic purposes. Do not report an EEG code for the EEG recording component of the sleep study. The EEG, autonomic function, and other potential services (i.e., codes 95812–95829, 95921–95930, and 95950–95961) include a physician’s recording, interpretation, and report.
• For an unattended sleep study, report code 95806. Physicians may use unattended recording when diagnosing selected patients with suspected sleep disorders. Unattended recordings do not include a technologist. Instead, the physician performs the test using a portable recording device that records seven to eight hours of airflow, respiratory effort, oximetry, and heart rate.
• Report code 95811 for the initiation of continuous positive airway pressure (CPAP) therapy.
• Sleep study services include EKG or pulse oximetry.

Understand billing guidelines

Coders may report polysomnography and sleep studies as a complete procedure, or they may bill separately for the professional and technical components of each. Most third-party payers will only cover one polysomnography or sleep study per date of service by the same or different provider. Additionally, most third-party payers will not reimburse for the separately billed technical or professional components of these services on the same date of service that a patient receives a complete polysomnography or sleep study.

Oftentimes, the complete procedure occurs as an episode that begins on one date of service and ends on another. When billing for a complete procedure that spans two dates of service, the coder should bill for the day that the procedure began. Coders should not bill the procedure twice, because it occurred over a two-day period.

Additionally, Medicaid does separately reimburse for the following procedures on the same date of service when the same or a different provider performs those services:

• Electrocardiographic monitoring for 24 hours (CPT codes 93224–93272) with sleep studies and polysomnography (CPT codes 95805–95811)
• Noninvasive ear or pulse oximetry single or multiple determinations (CPT codes 94760 and 94761) with sleep studies and polysomnography (CPT codes 95805–95811)
• Circadian respiratory pattern recording (e.g., pediatric pneumogram), 12–24 hour, continuous recording, infant (CPT code 94772) with sleep studies (CPT codes 95805–95806)
• CPAP, initiation and management, (CPT code 94660) with polysomnography (CPT code 95811)
• EEG (CPT codes 95812–95827) with polysomnography (CPT codes 95808–95811)
• Facial nerve function studies (CPT code 92516) with polysomnography (CPT codes 95808–95811)

Editor’s note: Meera Mohankrishan, CPC, is a coding manager at Sysinformation Healthcare. If you have any questions, contact Mohankrishan by at meera@sysinformation.net.