LifeWise
Health Plan of Washington

UTILIZATION MANAGEMENT GUIDELINE – 11.01.525

Site of Service Ambulatory Service Center (ASC) Select Surgical or Diagnostic Procedures in Adults

BCBSA Ref. Policy: N/A

Effective Date:	Sep. 1, 2026
Last Revised:	Jun. 16, 2026
Replaces:	N/A

RELATED MEDICAL POLICIES:

2.01.533	Upper Gastrointestinal (UGI) Endoscopy in Adults
2.02.510	Mobile Cardiac Outpatient Telemetry and Implantable Loop Recorders
7.01.15	Meniscal Allografts and Other Meniscal Implants
7.01.48	Autologous Chondrocyte Implantation for Focal Articular Cartilage Lesions
7.01.503	Breast Reduction (Mammaplasty)
7.01.533	Reconstructive Breast Surgery/Management of Breast Implants
7.01.546	Spinal Cord and Dorsal Root Ganglion Stimulation
7.01.549	Knee Arthroscopy in Adults
7.01.554	Surgical Treatment of Snoring and Obstructive Sleep Apnea Syndrome
7.01.558	Rhinoplasty
7.01.559	Sinus Surgery in Adults
7.01.595	Carpal Tunnel Release Surgical Treatments
7.01.602	Shoulder Arthroscopy in Adults
7.01.607	Autografts and Allografts in the Treatment of Focal Articular Cartilage Lesions

The Site of Service Medical Necessity criteria within this policy DO NOT apply to Indian Health Services (IHS) facilities.
Please refer to the medical necessity criteria for the procedure only.

Select a hyperlink below to be directed to that section.

POLICY CRITERIA | DOCUMENTATION REQUIREMENTS | CODING
RELATED INFORMATION | EVIDENCE REVIEW | REFERENCES | APPENDIX | HISTORY

∞ Clicking this icon returns you to the hyperlinks menu above.

Introduction

Surgery may safely be performed in various settings. Some of the common settings used are an inpatient hospital or medical center, an off-campus outpatient hospital or medical center, an on-campus outpatient hospital or medical center, an ambulatory surgical center, or a doctor's office. Costs for surgical procedures may vary among these different settings. To encourage the use of

the most safe and appropriate, cost-effective sites of service for certain medically necessary ambulatory service center surgical procedures, prior authorization is required for the site of service for the surgical procedures listed below.

Note: The Introduction section is for your general knowledge and is not to be taken as policy coverage criteria. The rest of the policy uses specific words and concepts familiar to medical professionals. It is intended for providers. A provider can be a person, such as a doctor, nurse, psychologist, or dentist. A provider also can be a place where medical care is given, like a hospital, clinic, or lab. This policy informs them about when a service may be covered.

Coverage Guidelines

We will review the site of service for medical necessity for certain elective surgical procedures. Site of service is defined as the location where the surgical procedure is performed, such as an off campus-outpatient hospital or medical center, an on campus-outpatient hospital or medical center, an ambulatory surgical center, or an inpatient hospital or medical center.

Site of Service for Elective Surgical Procedures	Medical Necessity
Medically necessary sites of service: • **Ambulatory surgical center**	**Certain elective surgical procedures will be covered in the most appropriate, safe, and cost-effective site. This is the preferred medically necessary site of service for certain elective surgical procedures.**

• **Off campus-outpatient hospital/medical center**
• **On campus-outpatient hospital/medical center**
	Certain elective surgical procedures will be covered in the most appropriate, safe, and cost-effective site. An elective surgical procedure performed in a hospital outpatient department may be considered medically necessary if there is no access to an ambulatory surgical center due to one of the following criteria:
	• There is no qualifying ASC within 30 miles that can provide the necessary care due to one of the following:
	  ○ There is no geographically accessible ASC that has the necessary equipment to perform the procedure; or
	  ○ There is no geographically accessible ASC available at which the individual's physician has privileges; or

Site of Service for Elective Surgical Procedures	Medical Necessity
	○ An ASC's specific guideline prohibits the use of the ASC related to the individual's health condition or weight, or • The individual is aged 18 or younger, or • The service being performed is in conjunction with an additional service that requires the use of a hospital outpatient department, and the procedures are being performed in the same operative session **OR** • The individual has a clinical condition which puts them at increased risk for complications including any of the following (this list may not be all inclusive): ○ **Anesthesia Risk** ▪ ASA classification III or higher (see definition) ▪ Personal history of complication of anesthesia ▪ Documentation of alcohol dependence or history of cocaine use ▪ Prolonged surgery (greater than 3 hours) ○ **Cardiovascular Risk** ▪ Uncompensated chronic heart failure (NYHA class III or IV) ▪ Recent history of myocardial infarction (MI) (less than 3 months) ▪ Poorly controlled, resistant hypertension* ▪ Recent history of cerebrovascular accident (less than 3 months) ▪ Increased risk for cardiac ischemia (drug eluting stent placed less than 1 year or angioplasty less than 90 days) ▪ Symptomatic cardiac arrhythmia despite medication ▪ Significant valvular heart disease ○ **Liver Risk** ▪ Advanced liver disease (MELD Score greater than 8)** ○ **Pulmonary Risk** ▪ Chronic obstructive pulmonary disease (COPD) (FEV1 less than 50%)

Site of Service for Elective Surgical Procedures	Medical Necessity
	▪ Poorly controlled asthma (FEV1 less than 80% despite treatment) ▪ Moderate to severe obstructive sleep apnea (OSA)*** ○ **Renal Risk** ▪ End stage renal disease (on dialysis) ○ **Other** ▪ Morbid obesity (BMI greater than or equal to 50) ▪ Pregnancy ▪ Bleeding disorder (requiring replacement factor, blood products, or special infusion product [DDAVP**** does not meet this criterion]) ▪ Anticipated need for transfusion(s) * 3 or more drugs to control blood pressure ** **https://reference.medscape.com/calculator/meld-score-end-stage-liver-disease** *** Moderate-AHI greater than or equal to 15 and less than or equal to 30, Severe-AHI greater than or equal to 30 ****DDAVP-Deamino-Delta-D-Arginine Vasopressin (Desmopressin)
• **Off campus-outpatient hospital/medical center** • **On campus-outpatient hospital/medical center**	**These sites of service are considered not medically necessary for certain elective surgical procedures when the site of service criteria listed above are not met.**
• **Inpatient hospital/medical center**	**This site of service is considered not medically necessary for this elective surgical procedure**

This guideline applies to any of the following elective surgical procedures (see the individual noted policies for the medical necessity criteria for the procedure):

BREAST SURGERY

CARDIAC SURGERY

EAR, NOSE, THROAT (ENT) SURGERY

SHOULDER PROCEDURES

SPINAL PROCEDURES

SITE OF SERVICE

GASTROENTEROLOGY PROCEDURES

HAND SURGERY

KNEE SURGERY

Breast Surgery	
Reconstructive Breast Surgery/Management of Breast Implants, 7.01.533	
CPT	
19318	Reduction mammaplasty
Reduction Mammaplasty for Breast Related Symptoms, 7.01.503	
CPT	
19318	Reduction mammaplasty

Cardiac Surgery	
Mobile Cardiac Outpatient Telemetry and Implantable Loop Recorders, 2.02.510	
CPT	
33285	Insertion, subcutaneous cardiac rhythm monitor, including program
HCPCS	
E0616	Implantable cardiac event recorder with memory, activator, and programmer

Ear, Nose, Throat (ENT) Surgery	
Rhinoplasty, 7.01.558	
CPT	
30400	Rhinoplasty, primary; lateral and alar cartilages and/or elevation of nasal tip
30410	Rhinoplasty, primary; complete, external parts including bony pyramid, lateral and alar cartilages, and/or elevation of nasal tip
30420	Rhinoplasty, primary; including major septal repair
30430	Rhinoplasty, secondary; minor revision (small amount of nasal tip work)

Ear, Nose, Throat (ENT) Surgery	
30435	Rhinoplasty, secondary; intermediate revision (bony work with osteotomies)
30450	Rhinoplasty, secondary; major revision (nasal tip work and osteotomies)
Sinus Surgery, 7.01.559	
CPT	
31233	Nasal endoscopy, diagnostic, unilateral or bilateral (separate procedure)
31235	Nasal/sinus endoscopy, diagnostic; with sphenoid sinusoscopy (via puncture of sphenoidal face or cannulation of ostium)
31240	Nasal/sinus endoscopy, surgical; with concha bullosa resection
31253	Nasal/sinus endoscopy, surgical with ethmoidectomy; total (anterior and posterior), including frontal sinus exploration, with removal of tissue from frontal sinus, when performed
31254	Nasal/sinus endoscopy, surgical with ethmoidectomy; partial (anterior
31255	Nasal/sinus endoscopy, surgical with ethmoidectomy; total (anterior and posterior)
31256	Nasal/sinus endoscopy, surgical, with maxillary antrostomy
31257	Nasal/sinus endoscopy, surgical with ethmoidectomy; total (anterior and posterior), including sphenoidotomy
31259	Nasal/sinus endoscopy, surgical with ethmoidectomy; total (anterior and posterior), including sphenoidotomy, with removal of tissue from the sphenoid sinus
31267	Nasal/sinus endoscopy, surgical, with maxillary antrostomy; with removal of tissue from maxillary sinus
31276	Nasal/sinus endoscopy, surgical, with frontal sinus exploration, including removal of tissue from frontal sinus, when performed
31287	Nasal/sinus endoscopy, surgical, with sphenoidotomy
31288	Nasal/sinus endoscopy, surgical, with sphenoidotomy; with removal of tissue from the sphenoid sinus

Ear, Nose, Throat (ENT) Surgery	
31295	Nasal/sinus endoscopy, surgical, with dilation (e.g., balloon dilation); maxillary sinus ostium, transnasal or via canine fossa
31296	Nasal/sinus endoscopy, surgical, with dilation (e.g., balloon dilation); frontal sinus ostium
31297	Nasal/sinus endoscopy, surgical, with dilation (e.g., balloon dilation); sphenoid sinus ostium
31298	Nasal/sinus endoscopy, surgical, with dilation (e.g., balloon dilation); frontal and sphenoid sinus ostia
Surgical Treatment of Snoring and Obstructive Sleep Apnea Syndrome, 7.01.554	
CPT	
42145	Palatopharyngoplasty (e.g., uvulopalatopharyngoplasty, uvulopharyngoplasty)

Gastroenterology Procedures	
Upper Gastrointestinal (UGI) Endoscopy for Adults, 2.01.533	
CPT	
43235	Esophagogastroduodenoscopy, flexible, transoral; diagnostic, including collection of specimen(s) by brushing or washing, when performed (separate procedure)
43238	Esophagogastroduodenoscopy, flexible, transoral; with transendoscopic ultrasoundguided intramural or transmural fine needle aspiration/biopsy(s), (includes endoscopic ultrasound examination limited to the esophagus, stomach or duodenum, and adjacent structures)
43239	Esophagogastroduodenoscopy, flexible, transoral; with biopsy, single or multiple
43242	Esophagogastroduodenoscopy, flexible, transoral; with transendoscopic ultrasoundguided intramural or transmural fine needle aspiration/biopsy(s) (includes endoscopic ultrasound examination of the esophagus, stomach, and either the duodenum or a surgically altered stomach where the jejunum is examined distal to the anastomosis)

Hand Surgery	
7.01.595 Carpal Tunnel Release Surgical Techniques	
CPT	
29848	Endoscopy, wrist, surgical, with release of transverse carpal ligament
64721	Neuroplasty and/or transposition; median nerve at carpal tunnel

Knee Surgery	
Autografts and Allografts in the Treatment of Focal Articular Cartilage Lesions, 7.01.607	
CPT	
27415	Osteochondral allograft, knee, open
27416	Osteochondral autograft(s), knee, open (e.g., mosaicplasty) (includes harvesting of autograft[s])
28446	Open osteochondral autograft, talus (includes obtaining graft[s])
29866	Arthroscopy, knee, surgical; osteochondral autograft(s) (e.g., mosaicplasty) (includes harvesting of the autograft[s])
29867	Arthroscopy, knee, surgical; osteochondral allograft (e.g., mosaicplasty
Autologous Chondrocyte Implantation for Focal Articular Cartilage Lesions, 7.01.48	
CPT	
27412	Autologous chondrocyte implantation, knee
HCPCS	
J7330	Autologous cultured chondrocytes, implant
S2112	Arthroscopy, knee, surgical for harvesting of cartilage (chondrocyte cells)
Knee Arthroscopy in Adults, 7.01.549	
CPT	
29871	Arthroscopy, knee, surgical; for infection, lavage and drainage
29873	Arthroscopy, knee, surgical; with lateral release

Knee Surgery	
29874	Arthroscopy, knee, surgical; for removal of loose body or foreign body (e.g., osteochondritis dissecans fragmentation, chondral fragmentation)
29875	Arthroscopy, knee, surgical; synovectomy, limited (e.g., plica or shelf resection) (separate procedure)
29876	Arthroscopy, knee, surgical; synovectomy, major, 2 or more compartments (e.g., medial or lateral)
29877	Arthroscopy, knee, surgical; debridement/shaving of articular cartilage (chondroplasty)
29879	Arthroscopy, knee, surgical; abrasion arthroplasty (includes chondroplasty where necessary) or multiple drilling or microfracture
29880	Arthroscopy, knee, surgical; with meniscectomy (medial AND lateral, including any meniscal shaving) including debridement/shaving of articular cartilage (chondroplasty), same or separate compartment(s), when performed
29881	Arthroscopy, knee, surgical; with meniscectomy (medial OR lateral, including any meniscal shaving) including debridement/shaving of articular cartilage (chondroplasty), same or separate compartment(s), when performed
29882	Arthroscopy, knee, surgical; with meniscus repair (medial OR lateral)
29883	Arthroscopy, knee, surgical; with meniscus repair (medial AND lateral)
29884	Arthroscopy, knee, surgical; with lysis of adhesions, with or without manipulation (separate procedure)
29888	Arthroscopically aided anterior cruciate ligament repair/augmentation or reconstruction
29889	Arthroscopically aided posterior cruciate ligament repair/augmentation or reconstruction
Meniscal Allografts and Other Meniscal Implants, 7.01.15	
CPT	
29882	Arthroscopy, knee, surgical; with meniscus repair (medial OR lateral)

Shoulder Procedures	
Shoulder Arthroscopy in Adults, 7.01.602	
CPT	
23700	Manipulation under anesthesia, shoulder joint, including application of fixation apparatus (dislocation excluded)
29805	Arthroscopy, shoulder, diagnostic, with or without synovial biopsy (separate procedure)
29806	Arthroscopy, shoulder, surgical; capsulorrhaphy
29807	Arthroscopy, shoulder, surgical; repair of SLAP lesion
29819	Arthroscopy, shoulder, surgical; with removal of loose body or foreign body
29820	Arthroscopy, shoulder, surgical; synovectomy, partial
29821	Arthroscopy, shoulder, surgical; synovectomy, complete
29822	Arthroscopy, shoulder, surgical; debridement, limited, 1 or 2 discrete structures (e.g., humeral bone, humeral articular cartilage, glenoid bone, glenoid articular cartilage, biceps tendon, biceps anchor complex, labrum, articular capsule, articular side of the rotator cuff, bursal side of the rotator cuff, subacromial bursa, foreign body[ies])
29823	Arthroscopy, shoulder, surgical; debridement, extensive, 3 or more discrete structures (e.g., humeral bone, humeral articular cartilage, glenoid bone, glenoid articular cartilage, biceps tendon, biceps anchor complex, labrum, articular capsule, articular side of the rotator cuff, bursal side of the rotator cuff, subacromial bursa, foreign body[ies])
29824	Arthroscopy, shoulder, surgical; distal claviculectomy including distal articular surface (Mumford procedure)
29825	Arthroscopy, shoulder, surgical; with lysis and resection of adhesions, with or without manipulation
29826	Arthroscopy, shoulder, surgical; decompression of subacromial space with partial acromioplasty, with coracoacromial ligament (i.e., arch) release, when performed (List separately in addition to code for primary procedure)

Shoulder Procedures	
29827	Arthroscopy, shoulder, surgical; with rotator cuff repair
29828	Arthroscopy, shoulder, surgical; biceps tenodesis

Spinal Procedures	
Spinal Cord and Dorsal Root Ganglion Stimulation, 7.01.546	
CPT	
63650	Percutaneous implantation of neurostimulator electrode array, epidural
63655	Laminectomy for implantation of neurostimulator electrodes, plate/paddle, epidural
63661	Removal of spinal neurostimulator electrode percutaneous array(s), including fluoroscopy, when performed
63662	Removal of spinal neurostimulator electrode plate/paddle(s) placed via laminotomy or laminectomy, including fluoroscopy, when performed
63663	Revision including replacement, when performed, of spinal neurostimulator electrode percutaneous array(s), including fluoroscopy, when performed
63664	Revision including replacement, when performed, of spinal neurostimulator electrode plate/paddle(s) placed via laminotomy or laminectomy, including fluoroscopy, when performed
63685	Insertion or replacement of spinal neurostimulator pulse generator or receiver, direct or inductive coupling
63688	Revision or removal of implanted spinal neurostimulator pulse generator or receiver

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Related Information

Definition of Terms

American Society of Anesthesiologists (ASA) Physical Status Classification

ASA PS Classification	Definition	Adult Examples including, but not limited to
ASA I	A normal healthy patient	Healthy, non-smoking, no or minimal alcohol use
ASA II	A patient with mild systemic disease	Mild diseases only without substantive functional limitations. Current smoker, social alcohol drinker, pregnancy, obesity (30<BMI<40), well-controlled DM/HTN, mild lung disease
ASA III	A patient with severe systemic disease	Substantive functional limitations; One or more moderate to severe diseases. Poorly controlled DM or HTN, COPD, morbid obesity (BMI ≥40), active hepatitis, alcohol dependence or abuse, implanted pacemaker, moderate reduction of ejection fraction, ESRD undergoing regularly scheduled dialysis, history (>3 months) of MI, CVA, TIA, or CAD/stents.
ASA IV	A patient with severe systemic disease that is a constant threat to life	Recent (<3 months) MI, CVA, TIA or CAD/stents, ongoing cardiac ischemia or severe valve dysfunction, severe reduction of ejection fraction, shock, sepsis, DIC, ARD or ESRD not undergoing regularly scheduled dialysis
ASA V	A moribund patient who is not expected to survive without the operation	Ruptured abdominal/thoracic aneurysm, massive trauma, intracranial bleed with mass effect, ischemic bowel in the face of significant cardiac pathology or multiple organ/system dysfunction
ASA VI	A declared brain-dead patient whose organs are being removed for donor purposes	

DM-diabetes mellitus, HTN-hypertension, COPD-chronic obstructive pulmonary disease, ESRD-end stage renal disease, MI-myocardial infarction, CVA-cerebral vascular accident, TIA-transient ischemic attack, CAD-coronary artery disease, DIC-disseminated intravascular coagulation, ARD-acute respiratory distress.

Source: **Statement on ASA Physical Status Classification System**. Accessed January 21, 2026.

New York Heart Association (NYHA) Classification:

Class I No symptoms and no limitation in ordinary physical activity, e.g., shortness of breath when walking, climbing stairs etc.
Class II Mild symptoms (mild shortness of breath and/or angina) and slight limitation during ordinary activity.
Class III Marked limitation in activity due to symptoms, even during less-than-ordinary activity, e.g., walking short distances (20–100 m). Comfortable only at rest.
Class IV Severe limitations. Experiences symptoms even while at rest. Mostly bedbound patients.

Place of Service (Professional Claims Codes):

Off-Campus-Outpatient Hospital A portion of an off-campus hospital provider-based department which provides diagnostic, therapeutic (both surgical and nonsurgical), and rehabilitation services to sick or injured persons who do not require hospitalization or institutionalization. (Code 19)

Inpatient Hospital A facility, other than psychiatric, which primarily provides diagnostic, therapeutic (both surgical and nonsurgical), and rehabilitation services by, or under, the supervision of physicians to patients admitted for a variety of medical conditions. (Code 21)

On Campus-Outpatient Hospital A portion of a hospital's main campus, which provides diagnostic, therapeutic (both surgical and nonsurgical), and rehabilitation services to sick or injured persons who do not require hospitalization or institutionalization. (Code 22)

Ambulatory Surgical Center A freestanding facility, other than a physician's office, where surgical and diagnostic services are provided on an ambulatory basis. (Code 24)

History

Date	Comments
08/01/25	New Utilization Management Guideline, approved July 8, 2025, effective for dates of service on or after November 7, 2025, following 90-day provider notification. Site of Service for Ambulatory Service Center (ASC) for Select Surgical Procedures will be considered medically necessary when criteria are met.
11/01/25	Interim Review, approved October 14, 2025, effective for dates of service on or after February 6, 2026, following 90-day provider notification. Added shoulder arthroscopy to ASC for Select Surgical Procedures as medically necessary when criteria are met. Added CPT codes: 23700, 29805-29807, 29819-29828, effective 02/06/26.
11/07/25	Minor update. Replaced related policy 7.01.78 Osteochondral Autografts in the Treatment of Articular Cartilage Lesions with 7.01.607 Osteochondral Autografts in the Treatment of Articular Cartilage Lesions.
12/01/25	Interim Review, approved November 11, 2025. Minor update made to the American Society of Anesthesiologists (ASA) Physical Status Classification table to include Adult Examples. The following policy changes are effective for dates of service on or after March 4, 2026, following 90-day provider notification. Title changed from Site of Service Ambulatory Service Center Select Surgical Procedures in Adults to Site of Service Ambulatory Service Center Select Surgical or Diagnostic Procedures in Adults. Added 2.01.533 Upper Gastrointestinal (UGI) Endoscopy in Adults to the list of surgical or diagnostic procedures that require review for Site of Service ASC for Select Surgical or Diagnostic Procedures.
01/01/26	Interim Review, approved December 23, 2025. The following policy changes are effective April 8, 2026, following 90-day provider notification. Added new Cardiac Surgery section to include implantable loop recorder surgery; added CPT code 33285 and HCPCS code E0616. Added policy 2.02.510 Mobile Cardiac Outpatient Telemetry and Implantable Loop Recorders within the policy section and to the Related Policies section to support this expansion.
01/13/26	Minor clarification made to policy history section.
03/01/26	Interim Review, approved February 10, 2026. The following policy changes are effective June 5, 2026, following 90-day provider notification. Added Hand Surgery section to include carpal tunnel release surgical techniques. Added CPT codes 29848, and 64721. Added 7.01.595 Carpal Tunnel Release Surgical Techniques to the policy section and to the Related Policies to support this expansion.
04/01/26	Policy effective date updated from May 1, 2026, to July 1, 2026, for 2.01.533 Upper Gastrointestinal (UGI) Endoscopy in Adults to the list of surgical or diagnostic procedures that require review for Site of Service ASC for Select Surgical or Diagnostic Procedures due to a business decision based on operational readiness.
06/01/26	Minor update. Added header to indicate that site of service review does not apply to Indian Health Services (IHS) facilities.
06/16/26	Policy effective date updated from July 1, 2026, to September 1, 2026, for 2.01.533 Upper Gastrointestinal (UGI) Endoscopy in Adults to the list of surgical or diagnostic

Date	Comments
	procedures that require review for Site of Service ASC for Select Surgical or Diagnostic Procedures due to a business decision based on operational readiness.

Disclaimer: This medical policy is a guide in evaluating the medical necessity of a particular service or treatment. The Company adopts policies after careful review of published peer-reviewed scientific literature, national guidelines and local standards of practice. Since medical technology is constantly changing, the Company reserves the right to review and update policies as appropriate. Member contracts differ in their benefits. Always consult the member benefit booklet or contact a member service representative to determine coverage for a specific medical service or supply. CPT codes, descriptions and materials are copyrighted by the American Medical Association (AMA). ©2026 Premera All Rights Reserved.

Scope: Medical policies are systematically developed guidelines that serve as a resource for Company staff when determining coverage for specific medical procedures, drugs or devices. Coverage for medical services is subject to the limits and conditions of the member benefit plan. Members and their providers should consult the member benefit booklet or contact a customer service representative to determine whether there are any benefit limitations applicable to this service or supply. This medical policy does not apply to Medicare Advantage.