

# UTILIZATION MANAGEMENT GUIDELINE – 11.01.525

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

BCBSA Ref. Policy: N/A

Effective Date: **Feb. 6, 2026\***  
 Last Revised: Oct. 14, 2025  
 Replaces: N/A

\*This policy has been revised. Click here to view the current policy.

**RELATED MEDICAL POLICIES:**

- 7.01.15 Meniscal Allografts and Other Meniscal Implants
- 7.01.48 Autologous Chondrocyte Implantation for Focal Articular Cartilage Lesions
- 7.01.503 Reduction Mammoplasty for Breast-Related Symptoms
- 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
- 7.01.602 Shoulder Arthroscopy in Adults
- 7.01.607 Autografts and Allografts in the Treatment of Focal Articular Cartilage Lesions

Select a hyperlink below to be directed to that section.

- [POLICY CRITERIA](#) | [DOCUMENTATION REQUIREMENTS](#) | [CODING](#)
- [RELATED INFORMATION](#) | [EVIDENCE REVIEW](#) | [REFERENCES](#) | [APPENDIX](#) | [HISTORY](#)

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### 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
<p><b>Medically necessary sites of service:</b></p> <ul style="list-style-type: none"> <li>• Ambulatory surgical center</li> </ul>	<p><b>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.</b></p>
<ul style="list-style-type: none"> <li>• Off campus-outpatient hospital/medical center</li> <li>• On campus-outpatient hospital/medical center</li> </ul>	<p><b>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:</b></p> <ul style="list-style-type: none"> <li>• There is no qualifying ASC within 30 miles that can provide the necessary care due to one of the following: <ul style="list-style-type: none"> <li>○ There is no geographically accessible ASC that has the necessary equipment to perform the procedure; or</li> <li>○ There is no geographically accessible ASC available at which the individual’s physician has privileges; or</li> <li>○ An ASC’s specific guideline prohibits the use of the ASC related to the individual’s health condition or weight, or</li> </ul> </li> <li>• The individual is aged 18 or younger, or</li> <li>• 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</li> </ul>



Site of Service for Elective Surgical Procedures	Medical Necessity
	<p><b>OR</b></p> <ul style="list-style-type: none"> <li>• 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): <ul style="list-style-type: none"> <li>○ <b>Anesthesia Risk</b> <ul style="list-style-type: none"> <li>▪ ASA classification III or higher (see definition)</li> <li>▪ Personal history of complication of anesthesia</li> <li>▪ Documentation of alcohol dependence or history of cocaine use</li> <li>▪ Prolonged surgery (greater than 3 hours)</li> </ul> </li> <li>○ <b>Cardiovascular Risk</b> <ul style="list-style-type: none"> <li>▪ Uncompensated chronic heart failure (NYHA class III or IV)</li> <li>▪ Recent history of myocardial infarction (MI) (less than 3 months)</li> <li>▪ Poorly controlled, resistant hypertension*</li> <li>▪ Recent history of cerebrovascular accident (less than 3 months)</li> <li>▪ Increased risk for cardiac ischemia (drug eluting stent placed less than 1 year or angioplasty less than 90 days)</li> <li>▪ Symptomatic cardiac arrhythmia despite medication</li> <li>▪ Significant valvular heart disease</li> </ul> </li> <li>○ <b>Liver Risk</b> <ul style="list-style-type: none"> <li>▪ Advanced liver disease (MELD Score greater than 8)**</li> </ul> </li> <li>○ <b>Pulmonary Risk</b> <ul style="list-style-type: none"> <li>▪ Chronic obstructive pulmonary disease (COPD) (FEV1 less than 50%)</li> <li>▪ Poorly controlled asthma (FEV1 less than 80% despite treatment)</li> <li>▪ Moderate to severe obstructive sleep apnea (OSA)***</li> </ul> </li> <li>○ <b>Renal Risk</b> <ul style="list-style-type: none"> <li>▪ End stage renal disease (on dialysis)</li> </ul> </li> <li>○ <b>Other</b> <ul style="list-style-type: none"> <li>▪ Morbid obesity (BMI greater than or equal to 50)</li> <li>▪ Pregnancy</li> </ul> </li> </ul> </li> </ul>



Site of Service for Elective Surgical Procedures	Medical Necessity
	<ul style="list-style-type: none"> <li>▪ Bleeding disorder (requiring replacement factor, blood products, or special infusion product [DDAVP**** does not meet this criterion])</li> <li>▪ Anticipated need for transfusion(s)</li> </ul> <p><b>Note:</b> * 3 or more drugs to control blood pressure  ** <a href="https://reference.medscape.com/calculator/meld-score-end-stage-liver-disease">https://reference.medscape.com/calculator/meld-score-end-stage-liver-disease</a>  *** 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)</p>
<ul style="list-style-type: none"> <li>• Off campus-outpatient hospital/medical center</li> <li>• On campus-outpatient hospital/medical center</li> </ul>	<p><b>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.</b></p>
<ul style="list-style-type: none"> <li>• Inpatient hospital/medical center</li> </ul>	<p><b>This site of service is considered not medically necessary for this elective surgical procedure</b></p>

**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**

**SPINAL PROCEDURES**

**EAR, NOSE, THROAT (ENT) SURGERY**

**SITE OF SERVICE**

**KNEE SURGERY**

<b>Breast Surgery</b>	
<b>Reconstructive Breast Surgery/Management of Breast Implants, 7.01.533</b>	
<b>CPT</b>	
19318	Reduction mammoplasty
<b>Reduction Mammoplasty for Breast Related Symptoms, 7.01.503</b>	



## Breast Surgery

### CPT

19318	Reduction mammoplasty
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## Ear, Nose, Throat (ENT) Surgery

### Rhinoplasty, 7.01.558

#### CPT

30400	Rhinoplasty, primary; lateral and alar cartilages and/or elevation of nasal tip
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30410	Rhinoplasty, primary; complete, external parts including bony pyramid, lateral and alar cartilages, and/or elevation of nasal tip
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30420	Rhinoplasty, primary; including major septal repair
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30430	Rhinoplasty, secondary; minor revision (small amount of nasal tip work)
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30435	Rhinoplasty, secondary; intermediate revision (bony work with osteotomies)
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30450	Rhinoplasty, secondary; major revision (nasal tip work and osteotomies)
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### Sinus Surgery 7.01.559

#### CPT

31253	Nasal/sinus endoscopy, surgical with ethmoidectomy; total (anterior and posterior), including frontal sinus exploration, with removal of tissue from frontal sinus, when performed
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31254	Nasal/sinus endoscopy, surgical with ethmoidectomy; partial (anterior
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31255	Nasal/sinus endoscopy, surgical with ethmoidectomy; total (anterior and posterior)
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31256	Nasal/sinus endoscopy, surgical, with maxillary antrostomy
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31257	Nasal/sinus endoscopy, surgical with ethmoidectomy; total (anterior and posterior), including sphenoidotomy
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31259	Nasal/sinus endoscopy, surgical with ethmoidectomy; total (anterior and posterior), including sphenoidotomy, with removal of tissue from the sphenoid sinus
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## Ear, Nose, Throat (ENT) Surgery

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
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)
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## Knee Surgery

### Autografts and Allografts in the Treatment of Focal Articular Cartilage Lesions, 7.01.78

### 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])



<b>Knee Surgery</b>	
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)
<b>Autologous Chondrocyte Implantation for Focal Articular Cartilage Lesions, 7.01.48</b>	
<b>CPT</b>	
27412	Autologous chondrocyte implantation, knee
<b>HCPCS</b>	
J7330	Autologous cultured chondrocytes, implant
S2112	Arthroscopy, knee, surgical for harvesting of cartilage (chondrocyte cells)
<b>Knee Arthroscopy in Adults, 7.01.549</b>	
<b>CPT</b>	
29871	Arthroscopy, knee, surgical; for infection, lavage and drainage
29873	Arthroscopy, knee, surgical; with lateral release
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



## Knee Surgery

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)
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## 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



## Shoulder Procedures

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 claviclectomy 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)
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



## Spinal Procedures

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) Score:

**ASA 1** A normal healthy patient.

**ASA 2** A patient with mild systemic disease.

**ASA 3** A patient with severe systemic disease.

**ASA 4** A patient with severe systemic disease that is a constant threat to life.

**ASA 5** A moribund patient who is not expected to survive

#### 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



Date	Comments
	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.

**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.

