University of Michigan Health Plan

PAYMENT REIMBURSEMENT POLICY

Title: PRP-20 Spravato® Nasal Spray (Esketamine)

Category: UMHP_PAYMENT REIMBURSEMENT (PR)

Effective Date: 10/11/2024

1. Guidelines:

This policy applies to all network and non-network physicians and other qualified health care professionals, including but not limited to the percentage of charge contract physicians and other qualified health care professionals. This policy does not guarantee benefits or solely determine reimbursement. Benefits are determined and/or limited by an individual member's benefit coverage document (COC, SPD, etc.). The Health Plan reserves the right to apply clinical edits to all medical claims through coding software and accuracy of claim submission according to industry billing standards. Clinical edits are derived from nationally recognized billing guidelines such as the Centers for Medicare and Medicaid Services (CMS), the National Correct Coding Initiative (NCCI), the American Medical Association (AMA), and specialty societies. UM Health Plan may leverage the clinical rationale of CMS or other nationally sourced edits and apply this rationale to services that are not paid through CMS but are covered by the Plan to support covered benefits available through one of the Plan's products. Prior approval does not exempt adherence to the following billing requirements. The provider contract terms will take precedence if there is a conflict between this policy and the provider contract.

2. Description:

This policy provides guidelines for billing and reimbursement of Spravato® (Esketamine) administration and observation.

3. Policy:

Spravato® is a limited benefit and must be authorized by UM Health Plan. UM Health Plan's prior authorization process should be completed prior to initiating Spravato® treatment. Spravato® usage and procurement must be in accordance with the restricted Risk Evaluation and Mitigation Strategies (REMS) distribution program for drug safety due to the risks of serious adverse outcomes. Claims for administration of Spravato® should be submitted in accordance with the following coding and billing guidelines to prevent denials or delays in reimbursement.

4. Coding and Billing:

Prior to submitting claims for the administration of this drug verify whether the billing provider has purchased the drug for administration or whether the drug will be billed separately through a REMS certified Pharmacy. Currently, there is no unique CPT code designated for the administration of Spravato® or the observation and monitoring of as required by REMS.

Physician Practice

Provider purchases and administers of Sprayato®

Providers that will supply, administer, and provide post-administration observation should report the HCPCS code S0013 Esketamine, nasal spray, appropriate Evaluation and Management (E/M) code, and prolonged service code when applicable.

Administration and observation only

When a physician practice is billing only for administration and observation of treatment, the appropriate E/M code and prolonged service code should be reported as applicable.

Note: The Centers for Medicare & Medicaid Services (CMS) developed codes G2082 and G2083 for the provision, administration, and post-administration of Esketamine/Spravato®. UM Health Plan will not accept these G codes on professional claims. Claims reported with these G codes will be denied for more appropriate coding as indicated above.

Outpatient Facility

Codes G2082 and G2083 may be reported when prior authorized treatment is being supplied by the outpatient hospital and administered in an outpatient hospital that is contracted to report in accordance with CMS coding. The facility should bill G2082 and G2083 in conjunction with the appropriate revenue center code (RCC) and the drug should not be billed separately. In addition, there should not be a separate professional claim submitted as procedure codes G2082 and G2083 are inclusive of both the drug and the professional services.

Inpatient Facility (Acute & Psychiatric)

Prior authorized treatment will be reimbursed within the MS-DRG or reimbursed in accordance with contracted inpatient payment terms.

5. Documentation Requirements:

The medical record should indicate medical necessity, and drug administration details including drug dose, time of administration, observation start and stop times, monitoring details, counseling notes, adverse reactions, and any other pertinent information that supports billed services.

6. Verification of Compliance:

Claims are subject to audit, prepayment, and post-payment, to validate compliance with the terms and conditions of this policy.

7. Terms & Definitions:

Outpatient Services: Medical or surgical care that doesn't generally require more than one day (24 hours) of care. However, in some instances, a patient without an inpatient order may remain in observation care for longer than 24 hours. This includes emergency department services, observation services, outpatient surgery, lab tests, X-rays, or any other hospital services, and the doctor hasn't written an order to admit you to a hospital as an inpatient.

<u>Inpatient:</u> Medical or surgical care that requires a patient to be admitted by a physician into a hospital or other healthcare facility for care and observation longer than 24 hours. A physician's order of admission must be on file and an appropriate level of care must be met.

<u>Risk Evaluation and Mitigation Strategy (REMS):</u> A drug safety program that the US Food and Drug Administration (FDA) requires for certain medications with serious safety concerns to ensure the benefits of the medication outweigh the risks.

Revenue Code: A numeric code, which identifies a specific accommodation, ancillary service, or billing calculation, as defined by the National Uniform Billing Committee for UB-92 forms.

8. References, Citations, Resources & Associated Documents:

Centers for Medicare and Medicaid Services, CMS Manual, and other CMS publications

American Medical Association (AMA)
Current Procedural Terminology (CPT), Healthcare Common Procedure Coding System (HCPCS) and associated publications
PRP-05 medical Record Request Standards

9. Revision History:

Original Effective Date: Not Set Next Revision Date: 10/11/2025

10. Document Evaluation Panel:

Revision Date	Reason for Revision
9/23	Annual review