

Sleep Studies and Polysomnography

Adjudication Guideline

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Billing

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1. Abstract

1.1 For Members

Billing Rules are the adjudication rules which are in compliance with official CPT, ICD and regulatory coding guidelines. A billing rule defines the minimum requirements to be met when a service is claimed for a Daman beneficiary in terms of frequency, duration etc. It explains the minimum required documentation to claim a service. It also defines the coverage of a service under a particular insurance plan administered by Daman.

1.2 For Medical Professionals

Polysomnography study (PSG) requires the continuous recording of multiple physiological variables to measure sleep architecture and cardio-respiratory function during sleep. This type of study is the standard and should be performed in sleep laboratory service by certified sleep technician and supervised and interpreted by a sleep certified/trained physician a written report should be issued at the completion the sleep study by certified/ trained sleep physician.

Sleep laboratory services can be provided in:

- Hospital.
- Day Surgical Centre.
- Outpatient care facilities with one of the following services:
 - Neurology.
 - Otolaryngology.
 - Paediatric Pulmonologist.
 - Paediatric Sleep Medicine.
 - Pulmonologist.
 - Sleep Medicine.

Physicians who can operate and interpret sleep laboratory results are:

- | | |
|-----------------------------|---|
| • Neurologist. | • Paediatric Sleep Medicine Specialist. |
| • Otolaryngologist. | • Pulmonologist. |
| • Paediatric Pulmonologist. | • Sleep Medicine Specialist. |

Paediatric sleep medicine physicians diagnose, treat and manage paediatric patients with sleep disorders. They shall not manage adult patients with sleep disorders.

2. Scope

The Scope of this adjudication rule is to highlight billing and documentation requirement for reporting sleep study & polysomnography.

3. Adjudication Policy

3.1 Eligibility / Coverage Criteria

Diagnostic sleep testing and polysomnography are covered by Daman for the diagnosis of the Following condition (s) listed below:

Plan	Condition
Basic	Obstructive sleep apnea
Enhanced with no psychiatric benefit	Obstructive sleep apnea
Thiqa & Enhanced with psychiatric benefit	a) Narcolepsy: a disorder that causes periods of extreme daytime sleepiness. b) Sleep apnea: a common disorder in which one or more pauses (cessation) in breathing or shallow breaths while sleep for at least 10 sec. c) Parasomnias: are disruptive sleep-related disorders.

3.2 Requirements for Coverage

ICD and CPT codes must be coded to the highest level of specificity.

3.3 Non-Coverage

- Coverage will be limited if not compliant with payment and coding rule.
- As per the earlier provider communication, Daman does not cover the day stay (per diem code) billed along with sleep study test codes. The Overnight Stay in the sleep center or laboratory is considered an integral part of Polysomnography PSG, Multiple Sleep Latency Test (MSLT), Maintenance of wakefulness test (MWT) and Home Sleep Apnea Test (HST).

- Unattended sleep study will only be covered for Obstructive Sleep Apnea (OSA) diagnosis as narcolepsy or parasomnia patient needs continued sleep study monitoring.
- Multiple sleep latency OR Maintenance of wakefulness test is to measure daytime sleepiness study is covered only for Narcolepsy diagnosis.

3.4 Payment and Coding Rules

Please apply regulatory payment rules and regulations and relevant coding manuals for ICD, CPT, etc.

- Unattended Sleep study is recommended for the evaluation of suspected Obstructive Sleep Apnea (OSA).
- Multiple sleep latency tests study requires sleep and wake determinations (about 20 minutes throughout the day). Entire study may require about 12 hours.
- The study needs to be monitored by a trained and licensed technologist and all the physiological recordings similar to other polysomnography need to be made. The technologist should visually score MSLT.
- Polysomnography is reported only if sleep study is staged and recorded. Study involves an overnight (approximately ten hours) physiologic recording in a specialized facility. Study also includes:
 1. 1-4 lead Electroencephalograms (EEG).
 2. An electro-oculogram (EOG).
 3. A sub-mental electromyogram (EMG).
 4. Additional parameters of sleep include:
 - Electrocardiogram (ECG).
 - Airflow.
 - Ventilation and respiratory effort.
 - Gas exchange by oximetry, transcutaneous monitoring, or end tidal gas analysis.
 - Extremity muscle activity, motor activity-movement.
 - Extended EEG monitoring.
 - Penile tumescence.
 - Gastro-esophageal reflux.
 - Continuous blood pressure monitoring.
 - Snoring.
 - Body positions.

Billing rules:

- The billing methodology of all requests and claims for Polysomnography and other sleep studies should include the CPT4 code only, without the SRVC code.
- MSLT- includes all the naps done in a single day. Only one (1) unit of service should be claimed.
- More than one sleep study in a year will be covered only if medically justified.
- Evaluation and management services on the same day of sleep study will be a part of sleep study unless significantly separately identifiable.

4. Denial Codes

Code	Code description
MNEC-003	Service is not clinically indicated based on good clinical practice
MNEC-004	Service is not clinically indicated based on good clinical practice, without additional supporting diagnoses/activities
MNEC-005	Service/supply may be appropriate, but too frequent
DUPL-002	Payment already made for same/similar service within set time frame
PRCE-002	Payment is included in the allowance for another service

5. Appendices

5.1 References

- <https://www.dha.gov.ae/en/uploads/112021/af33d53b-c47a-4f92-b133-070cc6769d37.pdf>
- <https://aasm.org/standards-guidelines#guidelines>
- <https://www.mayoclinic.org/tests-procedures/polysomnography/about/pac-20394877>
- [CMS & AASM Definitions for Type I, Type II, Type III Sleep Testing - CleveMed](#)
- <https://www.aastweb.org/Portals/0/Docs/Resources/Guidelines/AAST%20PSG%20Guideline%20Final.pdf>
- <https://academic.oup.com/sleep/article/47/10/zsae107/7667498>

5.2 Revision History

Date	Change(s)
01/07/2013	Release of V1.0
15/07/2014	Release of V2.0 • Disclaimer updated as per system requirements
15/02/2018	Release of V3.0
02/01/2025	Release of V4.0 • General content and template updated
30/03/2025	Release of V5.0 • Template and References update

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