



MEDICAL COVERAGE POLICY

SERVICE: Obstructive Sleep Apnea
Diagnosis and Treatment

Policy Number: 110

Effective Date: 05/01/2025

Last Review: 04/14/2025

Next Review: 04/14/2026

Important note: Unless otherwise indicated, medical policies will apply to all lines of business.

Medical necessity as defined by this policy does not ensure the benefit is covered. This medical policy does not replace existing federal or state rules and regulations for the applicable service or supply. In the absence of a controlling federal or state coverage mandate, benefits are ultimately determined by the terms of the applicable benefit plan documents. See the member plan specific benefit plan document for a complete description of plan benefits, exclusions, limitations, and conditions of coverage. In the event of a discrepancy, the plan document always supersedes the information in this policy.

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PRIOR AUTHORIZATION: Diagnostic testing for obstructive sleep apnea does **NOT** require prior authorization. **Some interventions DO require prior authorization.**

POLICY: Please review the plan's EOC (Evidence of Coverage) or Summary Plan Description (SPD) for coverage details.

For Medicare plans, please refer to appropriate Medicare NCD (National Coverage Determination) [240.4.1 Sleep Testing for Obstructive Sleep Apnea \(OSA\)](#), [NCD 240.4 Continuous Positive Airway Pressure \(CPAP\)](#), or LCD (Local Coverage Determination), [L35050 Outpatient Sleep Studies](#), [LCD L38385 Hypoglossal Nerve Stimulation for the Treatment of Obstructive Sleep Apnea](#). Medicare NCD or LCD specific InterQual criteria may be used when available. If there are no applicable NCD or LCD criteria, use the criteria set forth below.

For Medicaid plans, please confirm coverage as outlined in the [Texas Medicaid Provider Procedures Manual | TMHP](#) (TMPPM). If there are no applicable criteria to guide medical necessity decision making in the TMPPM, use the criteria set forth below.

BSWHP considers diagnostic testing for suspected Obstructive Sleep Apnea (OSA) medically necessary and a covered benefit for individuals with a history suggestive of the disorder when the following steps have been taken and documented:

1. History and physical examination documenting sleep related symptoms and perhaps upper airway anatomic findings. Significant medical conditions, medical findings, medications, allergies, and personal habits which may affect sleep status (e.g. alcohol consumption, caffeine consumption, psychiatric condition, sleep habits, depression screening) should be considered. Sleep related symptoms and appropriate indications include:
 - a. Adults:
 - i. Loud/intense snoring, witnessed apnea, nocturnal gasping/choking associated with awakening and excessive daytime sleepiness, frequent awakenings during the night, morning headaches, uncontrolled hypertension, presence of atrial fibrillation, presence of systolic congestive heart failure, new/recent stroke, or observed oxygen desaturations during sleep or during sedation in a medical setting.
 - ii. Suspected narcolepsy when a multiple sleep latency test (MSLT) is planned.



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- iii. Suspected idiopathic central nervous system hypersomnia when a MSLT is planned.
- iv. Suspected periodic limb movement disorder.
- v. To assist with the diagnosis of paroxysmal arousals thought to be seizure related when other evaluation has proven inconclusive.
- vi. To assist in the evaluation of parasomnias.
- vii. Suspected REM sleep behavior disorder.

b. Children:

- i. To differentiate between primary snoring and pathological snoring. To evaluate excessive daytime sleepiness, cor-pulmonale, failure to thrive or unexplained polycythemia.
- ii. To assist with the diagnosis of paroxysmal arousals thought to be seizure related when other evaluation has proven inconclusive.
- iii. To assist in the evaluation of parasomnias.
- iv. Suspected REM sleep behavior disorder.

2. A sleep evaluation questionnaire (e.g. the Berlin questionnaire) or a sleepiness scale (e.g. Epworth) should have been completed.
3. Potential therapeutic options and any compliance issues should have been discussed, and the sleep laboratory should determine the individual education needs of the patient and provide that education.
4. Follow-up studies may be indicated as follows;
 - a. Adults; BSWHP may consider a follow-up Polysomnography (PSG) medically necessary after the diagnosis of OSA when one of the following criteria are met;
 - i. Lack of clinical improvement after surgery for OSA,
 - ii. Following placement of an oral appliance,
 - iii. Initial titration with CPAP when medically unable to be done as part of a split night study or with auto-titrating CPAP, or
 - iv. CPAP re-titration for persistent/worsening symptoms, significantly increased BMI, or suspicion of inadequate pressure.
 - b. Children:
 - i. Persistent/worsening symptoms,
 - ii. Significant weight loss, or
 - iii. Periodic reevaluation of titration settings for children using CPAP when indicated by growth-related change.

BSWHP may consider the use of home PSG in place of facility-based testing when the following criteria are met:



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1. 6 years of age and older, **AND**
2. Must be supervised by a practitioner with board certification in sleep medicine, **AND**
3. Performed in conjunction with a complete and comprehensive sleep evaluation, **AND**
4. Used as an alternative to standard PSG for diagnosing OSA in patients with a high pretest probability of moderate to severe OSA, **AND**
5. Used with auto-titrating equipment to titrate CPAP if indicated.

A home PSG is not appropriate for the diagnosis of OSA in patients with significant comorbidity that may degrade the accuracy of the test (e.g., CHF). It is also not appropriate for the diagnosis of OSA in patients with coexisting sleep disorders of other types.

Home sleep study devices at a minimum must record airflow, respiratory effort, and blood oxygenation. Types 2, 3, and 4 may be covered:

- Type 2 – includes a minimum of seven parameters
- Type 3 – includes a minimum of 4 parameters, including two channels for respiration and one channel for cardiac monitoring
- Type 4 – includes a minimum of 3 parameters, including pulse oximetry

The treatment of OSA (in addition to weight loss, sleep positioning, abstinence from alcohol and certain medications) may be considered medically necessary and a covered benefit when one of the following criteria are met:

1. Apnea/Hypopnea Index (AHI) > 5/hour and symptoms/co-morbidities such as daytime sleepiness, impaired neurocognitive function, mood disorder, insomnia, or cardiovascular disease. The cardiovascular disease may include one of the following:
 - a. Documented history of stroke; *or*
 - b. Documented hypertension (systolic blood pressure greater than 140 mm Hg and/or diastolic blood pressure greater than 90 mm Hg); *or*
 - c. Documented ischemic heart disease
2. AHI > 15/hour

Covered treatment modalities may include:

1. Continuous positive airway pressure (CPAP)
2. Bilevel positive airway pressure (BIPAP) or auto-titrating CPAP (should be tried if CPAP is not tolerated).



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3. Mandibular Advancement Devices (MAD) or oral appliances (custom made/fit, not over the counter).
4. Upper airway surgery (usually only indicated for mild to moderate OSA after failure of more conservative measures, unless a readily apparent obstructing lesion is present), including;
 - a. Uvulopalatopharyngoplasty (UPPP)
 - b. Mandibular-Maxillary Advancement (MMA) osteotomies (orthognathic surgery).
5. Hypoglossal nerve stimulation, e.g. Inspire Upper Airway Stimulation system, involving an implantable device, for the treatment of obstructive sleep apnea (OSA). For criteria see [LCD L38385 Hypoglossal Nerve Stimulation for the Treatment of Obstructive Sleep Apnea](#) for ALL lines of business. Medicare NCD or LCD specific InterQual criteria may be used when available.

EXCLUSIONS:

1. Actigraphy for the diagnosis of OSA as it is considered experimental/investigational.
2. Laser assisted uvulopalatopharyngoplasty (LAUPPP) for the treatment of OSA, as it is considered experimental/investigational.
3. Radiofrequency Tissue Volume Reduction (RFTVR) for the treatment of OSA, as it is considered experimental/investigational.
4. Pillar Palatal Implant System for the treatment of OSA, as it is considered experimental/investigational.
5. Repose Tongue and Hyoid Suspension System for the treatment of OSA, as it is considered experimental/investigational.
6. Oral appliances are considered experimental and investigational for treatment of upper airway resistance syndrome (UARS).
7. Oral appliances for snoring (e.g., Snore Guard) are considered not medically necessary treatment of disease, as snoring is not considered a disease.
8. Procedures to stabilize lateral wall of nasal vestibule (Latera®) is considered investigational and not medically necessary because of a lack of clinical trials demonstrating efficacy.
9. Oral device for neuromuscular electrical stimulation of the tongue, e.g., eXciteOSA. is considered experimental/investigational.



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BACKGROUND:

This policy considers various diagnostic and treatment options for obstructive sleep apnea. Snoring, without obstructive sleep apnea, is not a disease and thus the treatment of snoring is not considered medically necessary and is not a covered benefit.

Obstructive sleep apnea (OSA) affects approximately five percent of the adult population and consists of irregular and abnormal respiratory patterns during sleep (apneas and hypopneas), daytime symptoms due to sleep disruption, and signs of disturbed sleep (e.g. snoring, restlessness, and snorts). Risk factors for OSA include obesity, craniofacial abnormalities, upper airway soft tissue redundancy, loud snoring, heredity, smoking, nasal congestion, and diabetes mellitus. Snoring and daytime sleepiness are common presentations for OSA. Polysomnography (PSG) is the preferred diagnostic study when OSA is suspected. The treatment options available for OSA include positive airway pressure, oral appliances, and surgery. Untreated OSA is associated with potential accidents due to excessive daytime sleepiness, hypertension, pulmonary hypertension, cardiovascular problems, and in severe cases an increased risk of all-cause mortality.

The American Academy of Sleep Medicine (AASM) has proposed that four levels be used to classify the complexity of recording technology used for the diagnosis of sleep-related breathing disorders. Level I is a full-night, in-laboratory polysomnography (PSG), where there is a minimum of seven parameters measured, including electroencephalogram (EEG), electro-oculogram (EOG), chin electromyogram (EMG), and electrocardiogram (ECG), as well as monitors for airflow, respiratory effort, and oxygen saturation, and there is also a technician in constant attendance. Level II studies are essentially the same, except that the ECG can be replaced by a heart rate monitor and a technician is not in constant attendance. Level III is a cardiorespiratory study in which a minimum of four parameters must be measured, including ventilation (at least two channels of respiratory movement, or respiratory movement and airflow), heart rate or ECG, and oxygen saturation. Ventilation in this case is measured with at least two channels of respiratory movement or of airflow.

Full-night, attended, in-laboratory Polysomnography (PSG) is considered the gold-standard diagnostic test for OSA. It involves monitoring the patient during a full night's sleep. Split-night, attended, in-laboratory PSG is similar, except the diagnostic portion of the study is performed during the first part of the night only. Those patients who are diagnosed with OSA during the first part of the night and choose positive airway pressure therapy should have their positive airway pressure device titrated during the second part of the evening. Testing is only covered in centers which are certified by the American Academy of Sleep Medicine.

Home PSG devices for unattended use have been developed over the past few years and are an



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acceptable alternative to laboratory testing for individuals with a high pre-test probability of moderate to severe OSA. However, they should not be used in patients who have medical conditions that predispose them to non-OSA sleep related breathing disorders (e.g., heart failure) or in whom another sleep disorder is suspected.

MANDATES: None

CODES:

Important note: Due to the wide range of applicable diagnosis codes and potential changes to codes, an inclusive list may not be presented, but the following codes may apply. Inclusion of a code in this section does not guarantee that it will be reimbursed, and patient must meet the criteria set forth in the policy language.

CPT Codes	42145 Palatopharyngoplasty (e.g. uvulopalatopharyngoplasty, uvulopharyngoplasty) 94660 CPAP, initiation and management 95782 Sleep Medicine Testing Procedures 95783 Sleep Medicine Testing Procedures 95800 Sleep study, unattended; heart rate, oxygen saturation, respiratory analysis, sleep time 95801 Sleep study, unattended; heart rate, oxygen saturation, respiratory analysis 95806 Sleep study, unattended; heart rate, oxygen saturation, respiratory airflow, respiratory effort 95807 Sleep study; ventilation, respiratory effort, ECG, oxygen saturation, attended 95808 Polysomnography; sleep staging with 1-3 additional parameters, attended 95810 Polysomnography; sleep staging with 4 or more additional parameters, attended 95811 Polysomnography; sleep staging with 4 or more additional parameters, with initiation of CPAP, attended 95803* Actigraphy testing, 72 hours to 14 days 64568 - Incision for implantation of cranial nerve (eg, vagus nerve) neurostimulator electrode array and pulse generator 0466T - Hypoglossal nerve stimulation system
HCPCS Codes	G0398 Home sleep study, type II monitor, unattended G0399 Home sleep study, type III monitor, unattended G0400 Home sleep study, type IV monitor, unattended E0601 CPAP device E0485 Oral appliance prefabricated E0486 Oral appliance, custom fabricated S8262 Mandibular repositioning device S2080 Laser assisted uvulopalatoplasty**
CPT Not Covered	41512 Tongue base suspension, permanent suture technique 41530 Submucosal ablation of the tongue base, radiofrequency, 1 or more sites, per session



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HCPCS Not Covered	C9727 Insertion of implants into the soft palate; minimum of 3 implants C9749 Repair of nasal vestibular lateral wall stenosis with implant(s) K1028 Power source and control electronics unit K1029 Oral device/appliance for neuromuscular electrical stimulation of the tongue muscle, used in conjunction with the power source and control electronics unit, controlled by phone application, 90-day supply
ICD10 codes	E66.2 Obesity Hypoventilation Syndrome F10.182 Sleep DSO of Alcohol F10.282 Sleep DSO of Alcohol F10.982 Sleep DSO of Alcohol F11.182 Sleep DSO of Opioid F11.282 Sleep DSO of Opioid F11.982 Sleep DSO of Opioid F13.182 Sleep DSO of Anxiety F13.282 Sleep DSO of Anxiety F13.982 Sleep DSO of Anxiety F14.182 Sleep DSO of Cocaine F14.282 Sleep DSO of Cocaine F14.982 Sleep DSO of Cocaine F15.182 Sleep DSO of Stimulants F15.282 Sleep DSO of Stimulants F15.982 Sleep DSO of Stimulants F51.01 - F51.9 Sleep DSO G47.10 - G47.19 Hypersomnia G47.30 - G47.39 Sleep Apnea G47.411 - G47.59 Narcolepsy and Parasomnia G47.61 Periodic Limb Movement Disorder/Other Sleep DSO G47.69 Periodic Limb Movement Disorder/Other Sleep DSO G47.8 Other Sleep Disorder G47.9 Other Sleep Disorder G25.81 RLS R40.0 Somnolence

* Only covered for Medicare

** Not covered by Medicare

POLICY HISTORY:

Status	Date	Action
New	12/1/2010	New policy
Reviewed	11/23/2011	Reviewed.
Reviewed	10/4/2012	Reviewed.
Reviewed	07/11/2013	No changes
Reviewed	05/22/2014	No changes
Reviewed	05/28/2015	No changes



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Reviewed	06/09/2016	CMS update
Reviewed	05/16/2017	Updated coverage language
Reviewed	04/17/2018	Minor updates. Clarified PA.
Reviewed	07/25/2019	No changes
Reviewed	04/22/2020	Added coverage for 0466T (Inspire)
Reviewed	06/25/2020	Added language to use across all LOBs
Reviewed	11/19/2020	Expanded coverage for 0466T (Inspire)
Updated	09/01/2022	Exclude coverage for
Reviewed	11/29/2023	Formatting changes, added hyperlinks to NCD and TMPPM, beginning and ending note sections updated to align with CMS requirements and business entity changes, added miscellaneous CPT codes
Reviewed	03/11/2024	Corrected the "For Medicaid Plans" section to utilize this Medical Policy if TMPPM does not have medical necessity guidance.
Reviewed	04/14/2025	Added additional OSA symptoms in line with current guidelines; added E&I to clarify the exclusion of oral device neuromuscular electrical stimulation of the tongue; additional reference added; ending note sections updated to align with CMS requirements and business entity changes

REFERENCES:

The following scientific references were utilized in the formulation of this medical policy. BSWHP will continue to review clinical evidence surrounding sleep disorder testing and may modify this policy at a later date based upon the evolution of the published clinical evidence. Should additional scientific studies become available, and they are not included in the list, please forward the reference(s) to BSWHP so the information can be reviewed by the Medical Coverage Policy Committee (MCPC) and the Quality Improvement Committee (QIC) to determine if a modification of the policy is in order.

1. UpToDate OnLine 18.2, 2010. Overview of Obstructive Sleep Apnea in [Adults. www.uptodate.com.](#)
2. UpToDate OnLine 18.2, 2010. Clinical Presentation and Diagnosis of Obstructive Sleep Apnea in adults. [www.uptodate.com.](#)
3. UpToDate OnLine 18.2, 2010. Management of Obstructive Sleep Apnea in [Adults. www.uptodate.com.](#)
4. UpToDate OnLine 18.2, 2010. Initiation of Positive Airway Pressure Therapy for Obstructive Sleep Apnea in [Adults. www.uptodate.com.](#)
5. UpToDate OnLine 18.2, 2010. Oral Appliances in the Treatment of Obstructive Sleep Apnea in Adults. [www.uptodate.com.](#)
6. CMS NCD for Sleep Testing for Obstructive Sleep Apnea (OSA) (240.4.1), March 3, 2009.
7. CMS NCD for Continuous Positive Airway Pressure (CPAP) Therapy for Obstructive Sleep Apnea (OSA) (240.4), March 13, 2008.
8. TrailBlazer LCD for Polysomnography and Sleep Studies – 4F – 76AB – R11, April 14, 2009, LCD ID 3314



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9. The new AASM criteria for scoring hypopneas: impact on the apnea hypopnea index.
10. Ruehland WR, Rochford PD, O'Donoghue FJ, Pierce RJ, Singh P, Thornton AT.
11. Sleep. 2009 Feb 1;32(2):150-7
12. Clinical guidelines for the manual titration of positive airway pressure in patients with obstructive sleep apnea. Kushida CA, Chediak A, Berry RB, Brown LK, Gozal D, Iber C, Parthasarathy S, Quan SF, Rowley JA; Positive Airway Pressure Titration Task Force; American Academy of Sleep Medicine. J Clin Sleep Med. 2008 Apr 15;4(2):157-71.
13. Practice parameters for the use of autotitrating continuous positive airway pressure devices for titrating pressures and treating adult patients with obstructive sleep apnea syndrome: an update for 2007. An American Academy of Sleep Medicine report.
14. Morgenthaler TI, Aurora RN, Brown T, Zak R, Alessi C, Boehlecke B, Chesson AL Jr, Friedman L, Kapur V, Maganti R, Owens J, Pancer J, Swick TJ; Standards of Practice Committee of the AASM; American Academy of Sleep Medicine.
15. Sleep. 2008 Jan 1;31(1):141-7.
16. Clinical guidelines for the use of unattended portable monitors in the diagnosis of obstructive sleep apnea in adult patients. Portable Monitoring Task Force of the American Academy of Sleep Medicine. Collop NA, Anderson WM, Boehlecke B, Claman D, Goldberg R, Gottlieb DJ, Hudgel D, Sateia M, Schwab R; Portable Monitoring Task Force of the American Academy of Sleep Medicine.
17. J Clin Sleep Med. 2007 Dec 15;3(7):737-47.
18. Practice parameters for the clinical evaluation and treatment of circadian rhythm sleep disorders. An American Academy of Sleep Medicine report. Morgenthaler TI, Lee-Chiong T, Alessi C, Friedman L, Aurora RN, Boehlecke B, Brown T, Chesson AL Jr, Kapur V, Maganti R, Owens J, Pancer J, Swick TJ, Zak R; Standards of Practice Committee of the American Academy of Sleep Medicine Sleep. 2007 Nov 1;30(11):1445-59. Review. Erratum in: Sleep. 2008 Jul 1;31(7):table of contents.
19. Annals of the American Thoracic Society Volume 22, Issue 1 September 2024 "The Great Controversy of Obstructive Sleep Apnea Treatment for Cardiovascular Risk Benefit: Advancing the Science through Expert Consensus: An Official American Thoracic Society Workshop Report"; Oren Cohen*, Vaishnavi Kundel*, Ferran Barbe, Y€uksel Peker, Doug McEvoy,

Note:

Health Maintenance Organization (HMO) products are offered through Scott and White Health Plan dba Baylor Scott & White Health Plan, and Scott & White Care Plans dba Baylor Scott & White Care Plan. Insured PPO and EPO products are offered through Baylor Scott & White Insurance Company. Scott and White Health Plan dba Baylor Scott & White Health Plan serves as a third-party administrator for self-funded employer-sponsored plans. Baylor Scott & White Care Plan and Baylor Scott & White Insurance Company are wholly owned subsidiaries of Scott and White Health Plan. These companies are referred to collectively in this document as Baylor Scott & White Health Plan.

RightCare STAR Medicaid is offered through Scott and White Health Plan in the Central Texas Medicaid Rural Service Area (MRSA); FirstCare STAR is offered through SHA LLC dba FirstCare Health Plans (FirstCare) in the Lubbock and West MRSA; and FirstCare CHIP is offered through FirstCare in the Lubbock Service Area.