

**Executive Sponsor:** 

Policy Number: CSCL0006

Manual Name: SMSO Policy Manual Policy Name: Anesthesia Claim Payment

Approved By: Stephen Adamson Last Revised: 07/08/2019

# SMSO Policy Manual ANESTHESIA CLAIM PAYMENT

Stephen Adamson, Chief Operations Officer

Issuing Department:	Claims			
Gate Keeper:	Melissa Rusk, Director Claims			
<b>COMPLIANCE ST</b>	CATEMENT:			
<b>Enforcement:</b>	All members of the workforce are responsible for compliance with this policy. Failure to abide by the requirements of this policy may result in corrective action, up to and including termination. Workforce members are responsible for reporting any observed violations of this policy.			
Review Schedule:	This policy will be reviewed and updated as necessary and no less than every two years.			
Monitoring and Auditing:	The Issuing/Collaborating Department(s) is responsible for monitoring compliance with this policy.			
Documentation:	Documentation related to this policy must be maintained for a minimum of 10 years.			
Applies to:				
Line of Business:  Commercial C  Medicare Sup  Off-Exchange	plemental On-Exchange			



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# 1.0 Purpose:

1.1 This policy details the necessary processes that must be performed to ensure claims are billed and processed accurately.

#### 2.0 Policy:

2.1 The Plan will administer the payment of anesthesia claims based on industry standard processes.

#### 3.0 Procedure:

- 3.1 General Anesthesia
  - 3.1.1 Anesthesia codes and base values adopted from the list values established by the American Society of Anesthesiologists (ASA).
  - 3.1.2 Anesthesia administration includes the following services:
    - 3.1.2.1 Preoperative and postoperative visits
    - 3.1.2.2 Anesthesia care during the procedure
    - 3.1.2.3 Administration of fluids and blood
    - 3.1.2.4 Usual monitoring (e.g., ECG, temperature, blood pressure, oximetry, capnography, mass spectrometry) as defined by ASA (American Society of Anesthesiologists) and/or CPT guidelines.
  - 3.1.3 General Anesthesia is personally performed by an anesthesiologist or CRNA/AA (medically directed by an anesthesiologist, or medically supervised by an anesthesiologist).
  - 3.1.4 General information related to the reimbursement formulas used by the Plan is shown on below table:

Personally Performed and Medically Directed Formula (ASA Base Units) + (Total Time / 15 rounded up to a whole unit x Current Conversion Factor	Personally Performed – 100% of the allowed amount
	<i>Medically Directed</i> – 50% of the allowed amount

- 3.2 Moderate Sedation (aka) Conscious Sedation
  - 3.2.1 Based on CPT guidelines CPT codes 99143 99145 will not be separately reimbursed with any procedures listed in the CPT Book, Appendix "G" (Summary of CPT Codes that Include Moderate (Conscious) Sedation).



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3.2.2 Based on CPT guidelines do not report anesthesia services for diagnostic or therapeutic injections and nerve blocks or pulse oximetry.

- 3.3 General and Monitored Anesthesia Care (MAC)
  - 3.3.1 General and Monitored Anesthesia care codes and base values adopted from the list values established by the American Society of Anesthesiologists (ASA).
  - 3.3.2 General information is shown on below table:

The allowed amount is determined based on the anesthesia procedure that has
the highest base unit value.
Do not submit base units on the claim, they will be included in the calculation
of the allowed amount.
<ul> <li>Submit the exact number of minutes from the preparation of the patient for induction to the time the anesthesiologist or CRNA are no longer in personal attendance or continue to be required.</li> <li>The Plan will translate the number of anesthesia minutes submitted by the provider to units of service.</li> <li>Fifteen (15) minutes of time equal one unit of service.</li> <li>Units will be calculated to one decimal point. (Example: 64 minutes / 15 = 4.2 rounded up to 5 units of service).</li> </ul>
No additional payment.
Reimbursement for qualifying circumstances for anesthesia is included in the
basic allowance for anesthesia procedures (00100 – 01999). No additional
reimbursement is for CPT Codes 99100 – 99140.
Separately billable
<ul> <li>If a case was cancelled after the pre-operative exam but prior to the patient being prepared for surgery or induction, an E/M service that appropriately represents the service should be billed.</li> <li>If a case was cancelled after induction of anesthesia, bill the case with the anesthesia CPT code for the procedure that was being rendered. Add a "53" for the tertiary modifier to indicate the discontinued procedure. Reimbursement will be based on the amount of time reported plus the base units for the discontinued procedure</li> </ul>



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# 3.4 Anesthesia Modifiers

ANESTHESIA OVERSIGHT	MODIFIER	MODIFIER NARRATIVE	PROVIDER TYPE	ADDITIONAL MEDICARE
Personally Performed	AA	Anesthesia Services personally performed by the anesthesiologist	Anesthesiologist	Reimbursed at 100% of the Medicare allowed amount
	QZ	CRNA service without medical direction by a physician	CRNA / AA	Reimbursed at 100% of the Medicare allowed amount
Medically Directed/ Supervised	AD	Medical Supervision by a physician, more than four (4) concurrent anesthesia procedures	Anesthesiologist	Allow three (3) base units, and one (1) additional base unit when it is demonstrated that the physician was present at the induction
	QK	Medical direction of two, three, or four concurrent anesthesia procedures involving qualified individuals	Anesthesiologist	Reimbursed at 50% of the Medicare allowed amount
	QY	Medical direction of one CRNA / AA by an anesthesiologist	Anesthesiologist	Reimbursed at 50% of the Medicare allowed amount
	QX	CRNA service with medical direction by a physicians	CRNA / AA	Reimbursed at 50% of the Medicare allowed amount
	GC	Services performed by a Resident under the direction of a teaching physician	Anesthesiologist	The GC modifier is reported by the <i>teaching physician</i> to indicate they rendered the service in compliance with Chapter 12, Section 100.1.2 of Medicare's Claims Processing Manual.



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Resident - Teaching Facility				<ul> <li>If the teaching anesthesiologist is involved in a single case with an anesthesiology resident payment is the same as if the physician performed the service alone.</li> <li>If the teaching anesthesiologist is medically directing 2 – 4 concurrent cases, any of which involved residents, payment is based on 50%</li> </ul>
Monitored Anesthesia Care (MAC)	G8	Monitored anesthesia care (MAC) for deep	Anesthesiologist CRNA / AA	of the anesthesia fee schedule (standard for payment method).  One of the payment  Informational modifier to indicate MAC services were provided
(IVIAC)		complex, complicated or markedly invasive surgical procedures		<ul> <li>The personally performed or the appropriate medical direction modifier must be submitted with this modifier.</li> <li>Submit actual time on the claim</li> <li>Payment guidelines – same as general anesthesia</li> </ul>
	G9	Monitored anesthesia for a patient who has a history of severe cardio-pulmonary condition	Anesthesiologist, CRNA/AA	See Above
	QS	Monitored Anesthesia Care	Anesthesiologist, CRNA/AA	See Above



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Physical Status Modifiers	P1	A normal health patient	NA	•	Informational only; does not impact payment
	P2	A patient with mild systemic disease	NA	•	Informational only; does not impact payment
	P3	A patient with severe systemic disease	NA	•	Informational only; does not impact payment
	P4	A patient with severe systemic disease that is a constant threat to life	NA	•	Informational only; does not impact payment
	P5	A moribund patient who is not expected to survive without the operation	NA	•	Informational only; does not impact payment
	P6	A declared brain-dead patient whose organs are being removed for donor purposes	NA	•	Informational only; does not impact payment

- 3.4.1 Each provider must bill separately for services rendered. Claims will be rejected when multiple modifiers are billed on the same claim line for both personally performed and medically directed/supervised services.
- 3.5 Melissa Rusk, Director, Claims & BPO Operations has the authority and responsibility for the activities in this policy or procedure.
- 3.6 The Issuing Dept. is responsible for monitoring/enforcing the compliance with this policy.

#### 4.0 References:

- 4.1 Source of the policy (regulatory citation, accreditation standard, internal standard)
  - 4.1.1 None
- 4.2 Are there any references to other documents, regulations, or intranet locations?
  - 4.2.1 None
- 4.3 Are there other policies that work in conjunction with this policy?
  - 4.3.1 None



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- 4.4 Replaces (if applicable):
  - 4.4.1 None

#### 5.0 Definitions:

- 5.1 Personally performed
  - 5.1.1 The physician personally performed all of the pre-operative, intra-operative, and postoperative anesthesia care.
  - 5.1.2 Medicare states the anesthesiologist may bill for personally performed services when he or she:
    - 5.1.2.1 Personally performed the entire anesthesia service alone
    - 5.1.2.2 Are Involved with one anesthesia case with a resident, the physician is a teaching physician, and the services are performed on or after January 1, 1996
    - 5.1.2.3 Are involved in the training of physician residents in a single anesthesia care, two concurrent anesthesia cases involving residents or a single anesthesia case involving a resident that is concurrent to another case paid under the medical direction rules. The physician meets the teaching criteria in Section 100.14 and the service is furnished on or after January 1, 2010
    - 5.1.2.4 Are continuously involved in a single case involving a student nurse anesthetist

# 5.2 Medically Directed

- 5.2.1 Concurrency is defined with regard to the maximum number of procedures that the physician is medically directing within the context of a single procedure and whether these other procedures overlap each other. Medical direction occurs if the physician medically directs qualified individuals in two, three, or four concurrent cases, and the physician performs the following activities:
  - 5.2.1.1 Pre-anesthetic examination and evaluation
  - 5.2.1.2 Prescribes the anesthesia plan
  - 5.2.1.3 Personally participates in the most demanding procedures in the anesthesia plan, including, if applicable, induction and emergence
  - 5.2.1.4 Ensures that any procedures in the anesthesia plan that he or she does not perform are performed by a qualified anesthetist
  - 5.2.1.5 Monitors the course of anesthesia administration at frequent intervals



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5.2.1.6 Remains physically present and available for immediate diagnosis and treatment of emergencies

- 5.2.1.7 Provides indicated post-anesthesia care
- 5.2.2 The medical record must reflect that the physician performed services as indicated above. It should be noted that if anesthesiologists are in a group practice, one physician may provide the pre- and/ post-anesthesia exam and evaluation while another fulfills the other criteria. The medical record must reflect that services were performed by physicians and identify the physicians who furnished them.
- 5.3 Medically Supervised
  - 5.3.1 Based on review of Medicare documents medically supervised care occurs when the anesthesiologist is involved in supervising more than four procedures concurrently or is performing other services for a significant period while directing concurrent procedures.
- 5.4 General Anesthesia
  - 5.4.1 Loss of ability to perceive pain, associated with the loss of consciousness, produced by intravenous infusion of drugs or inhalation of anesthetic agents.
- 5.5 Monitored Anesthesia Care
  - 5.5.1 Intra-operative monitoring by an anesthesiologist or other qualified provider under the direction of the anesthesiologist, of the patient's vital physiological signs in anticipation of the need for admission of general anesthesia or the development of adverse physiological patient reaction to the surgical procedure.
  - 5.5.2 MAC is eligible for coverage when performed by an eligible provider (see above), and all of the following criteria is met:
    - 5.5.2.1 MAC is requested by the attending physician or operating surgeon
    - 5.5.2.2 There is performance of a pre-anesthetic examination and evaluation
    - 5.5.2.3 There is a prescriptive anesthesia plan outlining the anesthesia care required
    - 5.5.2.4 Administration of necessary oral and parenteral medication takes place
  - 5.5.3 There is continuous physical presence of the anesthesiologist or in the case of medical direction, a qualified anesthetist.
- 5.6 General Anesthesia
  - 5.6.1 Loss of ability to perceive pain, associated with the loss of consciousness, produced by intravenous infusion of drugs or inhalation of anesthetic agents.



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# 5.7 Monitored Anesthesia Care

- 5.7.1 Intra-operative monitoring by an anesthesiologist or other qualified provider under the direction of the anesthesiologist, of the patient's vital physiological signs in anticipation of the need for admission of general anesthesia or the development of adverse physiological patient reaction to the surgical procedure.
- 5.7.2 MAC is eligible for coverage when performed by an eligible provider (see above), and all of the following criteria is met:
  - 5.7.2.1 MAC is requested by the attending physician or operating surgeon
  - 5.7.2.2 There is performance of a pre-anesthetic examination and evaluation
  - 5.7.2.3 There is a prescriptive anesthesia plan outlining the anesthesia care required
  - 5.7.2.4 Administration of necessary oral and parenteral medication takes place

# 5.8 Conscious Sedation

A minimally depressed level of consciousness induced by the administration of pharmacologic agents in which a patient retains the ability to independently and continuously maintain an open airway and a regular breathing pattern, and to respond appropriately and rationally to physical stimulation and verbal commands. Conscious sedation may be induced by parenteral or oral medications or combination thereof.

# 6.0 Key Words or Aliases (Optional):

- 6.1 Are there any key words that you may use to find this policy in a search?
  - 6.1.1 Anesthesia

ORIGINAL EFFECTIVE DATE: 10/01/2017

REVIEWED: 09/25/2017, 6/27/2019

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