

Chapter 7

Anesthesia Services

Anesthesia services are provided to patients undergoing surgical or non-surgical procedures in an outpatient or inpatient setting that requires the administration of an anesthetic. The reporting of anesthesia services is appropriate by or under the responsible supervision of a physician. These services may include, but are not limited to, general, regional, supplementation of local anesthesia, or other support services in order to provide the member the anesthesia care deemed appropriate.

These services include pre-operative and post-operative visits, the anesthesia care during the procedure, the administration of fluids and/or blood, and the usual monitoring services (EKG, temperature, blood pressure, oximetry, capnography, and mass spectrometry).

Definitions

Anesthesiology: The practice of medicine dedicated to the relief of pain and total care of the surgical patient before, during, and after surgery.

Anesthesiologist: A physician who specializes in anesthesiology and is board-certified as an anesthesiologist.

Certified Registered Nurse Anesthetist (CRNA): An advance practice registered nurse. CRNAs are registered nurses with a baccalaureate degree who have completed an additional 24 to 36 months of training in anesthesiology in an accredited program and are certified by the Council on Certification of Nurse Anesthetists, or the Council on the Certification of Nurse Anesthetists of the American Association of Nurse Anesthetists (AANA).

Personally Performed: To be considered personally performed, the anesthesiologist may not be involved in any other procedure or duties that take him/her out of the operating room. It should be assumed that if the anesthesiologist leaves the operating room, he/she is performing other duties. If the anesthesiologist leaves the operating room to perform any other duties, the anesthesia procedure may not be billed as personally performed.

Physician: A medical doctor (MD) who is licensed to provide health services within the scope of his/her profession under MS [147](#).

Eligible Providers

1. Anesthesiologists (MDA)
2. Certified Registered Nurse Anesthetist (CRNA). CRNAs must enroll and sign a provider agreement in order to be eligible for reimbursement.
3. Physicians (MDs) under limited conditions as described in the sections on conscious sedation and deep sedation.

Modifiers and Rate Formulas

2011		
MHCP follows Medicare coverage standards for direction and supervision of CRNAs, Student Registered Nurse Anesthetists (SRNAs), and anesthesia residents. Time units equal the number of minutes from preparation of the patient to the time when the anesthetist is no longer in personal attendance or continues to be required. Time units/15 is truncated at one decimal place. Example: 62/15 = 4.1.		
Modifier	Description	2010 Formula
AA	Anesthesiologist Personally Performed	(Base Units + (Time Units / 15)) X 18.00
AA GC	Anesthesiologist Directing One Anesthesia Resident or SRNA	(Base Units + (Time Units / 15)) X 18.00
QY	Anesthesiologist Directing One CRNA	(Base Units+(Time units / 15)) X 19.65 X 0.632
QK	Anesthesiologist Directing 2 - 4 CRNA	(Base Units+(Time units / 15)) X 19.65 X 0.632
QK GC	Anesthesiologist Directing 2 – 4 Anesthesia Residents or SRNA	(Base Units+(Time units / 15)) X 19.65 X 0.632
AD	Anesthesiologist Supervising More Than Four CRNA	4 Base Units X 18.00
QX	CRNA Directed by an Anesthesiologist	(Base Units+(Time units / 15)) X 19.65 X 0.632
QZ	CRNA Without Direction by an Anesthesiologist	(Base Units + (Time Units / 15)) X 18.00

2010		
PrimeWest Health follows Medicare coverage standards for direction and supervision of CRNAs, Student Registered Nurse Anesthetists (SRNAs), and anesthesia residents. Time units equal the number of minutes from preparation of the patient to the time when the anesthetist is no longer in personal attendance or continues to be required. Time units/15 is truncated at one decimal place. Example: 62/15 = 4.1.		
Modifier	Description	2010 Formula
AA	Anesthesiologist Personally Performed	(Base Units + (Time Units / 15)) X 18.00
AA GC	Anesthesiologist Directing One Anesthesia Resident or SRNA	(Base Units + (Time Units / 15)) X 18.00
QY	Anesthesiologist Directing 1 CRNA	(Base Units+(Time units / 15)) X 19.65 X 1.264 2
QK	Anesthesiologist Directing 2 – 4 CRNAs	(Base Units+(Time units / 15)) X 19.65 X 1.264
QK GC	Anesthesiologist Directing 2 – 4 Anesthesia Residents or SRNAs	(Base Units+(Time units / 15)) X 19.65 X 1.264
AD	Anesthesiologist Supervising more than 4 CRNAs	4 Base Units X 18.00
QX	CRNA Directed by an Anesthesiologist	(Base Units+(Time units / 15)) X 19.65 X 1.264 2
QZ	CRNA Without Direction by an Anesthesiologist	(Base Units + (Time Units / 15)) X 18.00

Modifiers

Anesthesia Modifiers	
To properly identify the exact nature of the service provided, use the following Healthcare Common Procedure Coding System (HCPCS) code modifiers	
AA	Anesthesia services performed personally by anesthesiologist
AD	Medical supervision by a physician: more than four 4 concurrent anesthesia procedures
QK	Medical direction of two, three, or four concurrent anesthesia procedures involving qualified individuals
QS	Monitored anesthesia care services
QX	CRNA service with medical direction by an anesthesiologist
QY	Anesthesiologist medically directs one CRNA
QZ	CRNA service without medical direction by an anesthesiologist
Q6	Service furnished by Locum Tenens physician
22	Increased procedural services

Covered Services

Pre-anesthetic Evaluations and Post-operative Visits

PrimeWest Health uses the Centers for Medicare & Medicaid Services (CMS) list of base values, which were adopted from the relative base values established by the American Society of Anesthesiologists (ASA). The base value for anesthesia services includes usual pre-operative and post-operative visits. No separate payment is allowed for the pre-anesthetic evaluation regardless of when it occurs unless the member is not induced with anesthesia because of a cancellation of the surgery.

If an anesthetic is not administered due to a cancellation of the surgery, the anesthesiologist or the independent CRNA may bill an Evaluation and Management (E/M) Current Procedural Terminology (CPT) code that demonstrates the level of service performed.

Criteria for Medical Direction

Anesthesiologists can be reimbursed for the personal medical direction (as distinguished from supervision) that they furnish to CRNAs.

Medical direction services personally performed by an anesthesiologist will be reimbursed only if the anesthesiologist does all of the following:

1. Performs a pre-anesthetic examination and evaluation
2. Prescribes the anesthesia plan
3. Personally participates in the most demanding procedures in the anesthesia plan, including induction and emergence (if applicable)
4. Ensures that any procedures in the anesthesia plan that he/she does not perform are performed by a qualified individual
5. Monitors the course of anesthesia administration at frequent intervals
6. Remains physically present in the surgical suite and available for immediate diagnosis and treatment of emergencies
7. Provides indicated post-anesthesia care

If anesthesiologists are in a group practice, one physician member may provide the pre-anesthesia examination and evaluation and another may fulfill the other criteria. Similarly, one physician member of the group may provide post-anesthesia care, while another member of the group provides the other component parts of

anesthesia services. However, the medical record must indicate that physicians provided the services and identify the physicians who rendered them.

PrimeWest Health will reimburse anesthesiologists for supervision of residents per Medicare's formula and restrictions. The teaching physician must be present during induction, emergence, and during all critical portions of the procedure, and immediately available to provide services during the entire procedure. The documentation in the medical records must indicate the teaching anesthesiologist's presence or participation in the administration of the anesthesia. The teaching physician's presence is not required during the pre-operative or post-operative visits with the member. PrimeWest Health follows Medicare guidelines for reimbursement to anesthesiologists for the supervision of residents. PrimeWest Health does not reimburse for anesthesia assistants or interns.

Concurrent Medical Direction of CRNAs

In all cases in which the anesthesiologist provides medical direction, he/she must be physically present in the operating suite.

If the anesthesiologist supervises anesthesiologists during five or more concurrent procedures, payment can be made only for patient services personally performed by the anesthesiologist, not to exceed three base units plus 15 minutes for induction.

The billing or scheduling records that describe the anesthesia services provided must indicate the number of CRNA procedures concurrently medically directed by the anesthesiologist.

Calculation of Concurrent Medically Directed Anesthesia Procedures

Concurrency is defined with regard to the maximum number of procedures that the anesthesiologist is medically directing within the context of a single procedure and whether or not these other procedures overlap each other. The following example illustrates the concept of concurrency:

Example: Procedures A through E are medically directed procedures involving CRNAs. The starting and ending times for each procedure represent the periods during which "anesthesia time" is counted.

Procedure A begins at 8 a.m. and lasts until 8:20 a.m.

Procedure B begins at 8:10 a.m. and lasts until 8:45 a.m.

Procedure C begins at 8:30 a.m. and lasts until 9:15 a.m.

Procedure D begins at 9 a.m. and lasts until 12 p.m.

Procedure E begins at 9:10 a.m. and lasts until 9:55 a.m.

Procedure	Time of Total Surgery	Physician Directed these Cases Concurrently	Time Frame that Cases were Directed Concurrently	Number of Surgeries Directed
A	8 – 8:20 a.m.	A & B	8:10 – 8:20 a.m.	2
B	8:10 – 8:45 a.m.	B & C	8:20 – 8:45 a.m.	2
C	8:30 – 9:15 a.m.	C, D, & E	9 – 9:15 a.m.	3
D	9:00 – 12 p.m.	C, D, & E	9 – 9:15 a.m.	3
E	9:10 – 9:55 a.m.	C, D, & E	9 – 9:15 a.m.	3

Criteria for Supervision

When the anesthesiologist does not fulfill the above criteria or is involved in supervising more than four procedures concurrently, his/her supervisory services are considered services to the hospital and are reimbursable only to the hospital. However, payment will be considered for pre-anesthesia services up to and including induction, when personally performed by the anesthesiologist.

Supervision of Anesthesia Service by Surgeon

PrimeWest Health will not reimburse a surgeon for supervision of anesthesia services provided by a CRNA, anesthesia assistant, intern, or resident.

Payment for Qualifying Circumstances

PrimeWest Health reimburses anesthesia “for a patient of extreme age” only if the patient is less than one year of age or over 70 years of age. Bill the anesthesia for a patient of extreme age code on a separate line and bill for one unit. Do not use anesthesia modifiers.

Monitored Anesthesia Care (MAC)

MAC is a specific anesthesia service in which an anesthesiologist or CRNA has been requested to participate in the care of a patient undergoing a diagnostic or therapeutic procedure.

MAC includes all aspects of anesthesia care: a pre-procedure visit, intraprocedure care, and post-procedure anesthesia management.

During monitored anesthesia care, the anesthesiologist or CRNA must be continuously physically present and provide a number of specific services, including, but not limited to the following:

1. Monitoring of vital signs, maintenance of the patient’s airway, and continual evaluation of vital functions
2. Diagnosis and treatment of clinical problems that occur during the procedure
3. Administration of sedatives, analgesics, hypnotics, anesthetic agents, or other medications as necessary to ensure patient safety and comfort
4. Provision of other medical services as needed to accomplish the safe completion of the procedure

Anesthesia care often includes the administration of doses of medications for which the loss of normal protective reflexes or loss of consciousness is likely. MAC refers to those clinical situations in which the patient remains able to protect the airway for the majority of the procedure. If, for an extended period, the patient is rendered unconscious and/or loses normal protective reflexes, then anesthesia care shall be considered a general anesthetic.

MAC by a CRNA

MAC is a covered service if the CRNA performs the above-described services. The time the CRNA is physically present with the patient is covered. Use the appropriate anesthesia or surgical procedure code to bill this service and indicate the exact number of minutes in direct patient contact. Modify the procedure code indicating the service was done under medical direction or performed independently. Indicate QS as the secondary modifier.

MAC by an Anesthesiologist

MAC is a covered service if the anesthesiologist performs the above-described services. The time the anesthesiologist is physically present with the member is covered.

An anesthesiologist may not bill for monitoring time not spent in direct contact with the member. Use the appropriate anesthesia or surgical procedure code to bill this service and indicate the exact number of minutes in direct contact. If the anesthesiologist is billing for medical direction, the anesthesiologist must meet the standards for medical direction. Modify the procedure code indicating medical direction or personally performed. Indicate QS as the secondary modifier.

Conscious Sedation

The intent of conscious sedation is for the patient to remain conscious and able to communicate during the entire procedure. The patient retains the ability to independently and continuously maintain a patent airway and respond appropriately to physical stimulation and/or verbal command. Conscious sedation includes performance and documentation of pre- and post-sedation evaluations of the patient, administration of the sedation and/or analgesic agents, and monitoring of cardiorespiratory functions (pulse oximetry, cardio respiratory monitor, and blood pressure).

Conscious sedation may be administered by physicians (MDs) who have received training in moderate sedation. Follow 2006 CPT guidelines for the use of conscious sedation codes. Conscious sedation codes cannot be billed when anesthesia services are provided at the same time.

Deep Sedation

Deep sedation is a drug-induced depression of consciousness during which patients cannot be easily aroused but respond purposefully following repeated or painful stimulation. The ability to independently maintain ventilatory function may be impaired. Patients may require assistance in maintaining a patent airway, and spontaneous ventilation may be inadequate.

Deep sedation may be administered by emergency medicine physicians (MDs) whose advance practice training has prepared them for airway management, advanced life support, and rescue from any level of sedation.

Use the appropriate anesthesia or surgical procedure code to bill deep sedation and indicate the exact number of minutes in direct patient contact. When deep sedation is performed by emergency medicine physicians, add modifier AA to the procedure code.

Patient Controlled Analgesia (During Hospitalization)

PrimeWest Health covers patient controlled analgesia for pain with the continuous infusion of pain medication facilitated by an infusion pump in a hospital setting. PrimeWest Health will separately reimburse the placement of an intrathecal or epidural catheter. Bill the correct unmodified CPT surgical procedure for the catheter placement. Do not bill the placement of the catheters with time units or with anesthesia modifiers.

PrimeWest Health covers the daily pain management service that is medically necessary. The service must be conducted face-to-face. Use the appropriate CPT code to bill this service. This service is not billed in units of time and is limited to one service per day.

Epidural Analgesia for Vaginal or Cesarean Delivery

The CPT code that describes the service of continuous epidural analgesia for labor and vaginal or cesarean delivery includes the placement of the epidural catheter. Do not bill the placement of the epidural catheter separately. Indicate the number of minutes in the units field or box 24G unshaded area the anesthesiologist or CRNA is physically present with the recipient.

Anesthesia for Ocular Procedures and Pacemakers

Anesthesia policy for ocular and pacemaker surgery follows Medicare guidelines.

Special Services Provided by Anesthesiologists or Independent CRNAs

PrimeWest Health covers specialized services performed by an anesthesiologist or independent CRNA, such as insertion of Swan-Ganz catheters, placement of central venous lines, arterial lines, etc. Bill these services with the appropriate unmodified CPT codes that describe the services. Bill the services as surgical procedures and no time units.

Billing for Anesthesia Services

Claims Documentation Requirements

Submit claims for anesthesia services in the 837P format. Use specific CPT American Society of Anesthesiology (ASA) anesthesia codes or surgical codes with the appropriate anesthesia modifier. For authorized surgical services, PrimeWest Health prefers that anesthesia services are billed using surgical procedure codes with the appropriate anesthesia modifier.

Anesthesiologists and CRNAs must comply with PrimeWest Health requirements for billing sterilization procedures. Refer to [Reproductive Health – Obstetrics and Gynecology \(Ch. 10\)](#) for additional information.

Exact Minutes

Submit the exact number of minutes from the preparation of the patient for induction to the time when the anesthesiologist or the CRNA was no longer in personal attendance or continues to be required. Enter only the number of minutes in the units field. PrimeWest Health will calculate the base units for each procedure.

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CRNA Billing by Inpatient Hospitals

Inpatient CRNA services must not be billed separately if a hospital has chosen to have those services paid as part of the inpatient rates. Refer to [Hospital Services \(Ch.14\)](#) for additional billing information.

Enrolled CRNA – Employee Billing

CRNA services provided in an outpatient hospital setting by any of the following must be billed in the 837P format:

1. CRNA who is independent or employed by a physician
2. CRNA employed by a hospital that chose to remove CRNA costs from its inpatient rate
3. An entity not enrolled as a hospital that is billing CRNA services
4. A Critical Access Hospital (CAH) that does not qualify for the CRNA billing exemption under Medicare Part B

CRNA – Independent Billing

CRNA services provided by an independent CRNA must be billed of a hospital that has chosen to remove CRNA costs from its inpatient rate.

Legal References

MS [256B.0625](#), subd. 3; subd. 11

Minnesota 2009 Session Law, [Chapter 79, article 5, section 25](#) Physician rates for direction of CRNA

Minnesota 2009 Session Law, [Chapter 79, article 5, section 28](#) CRNA rates not directed by physician