



## Payment Policy

### Anesthesia

#### Purpose

The purpose of this payment policy is to describe Health New England's (HNE) anesthesia guidelines.

#### Applicable Plans

- Commercial Self Funded
- Commercial Fully Funded
- Medicare Advantage
- Be Healthy

#### Definitions

Anesthesia is the loss of sensation and usually of consciousness without loss of vital functions artificially produced by the administration of one or more agents that block the passage of pain impulses along nerve pathways to the brain.

#### Requirements

HNE follows the AMA CPT Manual guidelines: "All anesthesia services are reported by use of the anesthesia five-digit procedure code (0100-01999) plus the addition of a physical status modifier. The use of other optional modifiers may be appropriate." Medical direction modifiers are reported in the first position after the anesthesia code and additional modifiers are reported in the second position.

##### Commercial

A. Apply to commercial fully and self funded lines of business

All participating providers (including Oral Surgeons) must bill anesthesia claims using:

- Codes from the Anesthesia section of the CPT Coding Guide
- Anesthesia modifiers and minutes information.
- The appropriate modifier in the first modifier position for services performed directly by a physician.

B. Instructions for submitting claims:

- Anesthesia services billed electronically should include a qualifier of "MJ" (minutes) in the SV1 segment, element SV103 (Unit or basis for Measurement Code). This means that the anesthesia minutes would be mapped to the minute field and not the count / unit.

- Claims submitted on paper should also include the actual time parameter “start time and end time” as well as the total number of minutes in Field 24G of the CMS-1500 claim form. Payment is calculated using the total number of minutes submitted.
- The count field should = 1 and minutes should always be in the minute field
- Reporting of physical status modifiers can be billed in 2<sup>nd</sup> or subsequent modifier fields

C. Time Units

- Anesthesia time starts when the anesthesiologist begins to prepare the patient for induction and ends when the patient can safely be placed under post-operative supervision.
- When multiple procedures are performed during a single anesthetic administration; the anesthesia code representing the most complex procedure is reported. The time reported is the combined total for all procedures.
- HNE uses duration of a time unit equal to 1 for every 15 minutes with a 7 minute threshold. The threshold identifies the number of minutes to be used in order to calculate the time unit. When 8 or more minutes are reported then rounding up to the next unit will occur and rounding down will occur for 1 to 7 minutes. For example, a procedure starts a 2:00 p.m. and ends at 2:20 p.m., 1 time unit would be added to the base unit.

D. Obstetrical Services

- 01967 and 01968 anesthesia for cesarean delivery following neuraxial labor/anesthesia reimbursement will be limited to 270 minutes

E. CRNA and physician anesthesiology claims:

- Up to 100% of the fee schedule allowed amount when a physician service only is billed for anesthesia, with the appropriate modifier.
- Generally a 50-50 split of the physician fee between the billed CRNA service and the billed physician service, when a service is billed by a CRNA supervised by a physician. This is dependent on actual number of minutes reported for each. Services provided by a CRNA and the supervising anesthesiologist are billed during the course of a procedure as separate services with the appropriate modifier in the first modifier position and minutes appropriate for each.

F. Qualifying Circumstances for Anesthesia

- 99100 – 99140 HNE does not reimburse separately for these codes

G. 01999 Unlisted anesthesia procedures must have supporting documentation that identifies the services provided and are subject to Medical Director review.

**The following anesthesia modifiers denote whether procedures were personally performed, medically directed or medically supervised.**

Modifiers	Description	Allowable
AA	Anesthesia service personally performed by physician	100% of anesthesia rate
AD	Medical supervision by a physician, more than 4 concurrent anesthesia procedures	50% of anesthesia rate
QK	Medical direction of two, three or four concurrent anesthesia procedures involving qualified individuals	50% of anesthesia rate

QX	CRNA service with medical direction by a physician	50% of anesthesia rate
QY	Medical direction of one Certified Registered nurse Anesthetist by an Anesthesiologist	50% of anesthesia rate
QS	Monitored anesthesia care service	100% of anesthesia rate
QZ	CRNA service: without medical direction by a physician	Deny

**Medicare Advantage**

HNE will follow Medicare reimbursement guidelines.

**Medicaid**

HNE will follow Medicaid reimbursement guidelines.

**Authorization Requirements**

Not applicable

**Attachments**

Not applicable

**Important Note About This Reimbursement Policy**

Providers are responsible for submission of accurate claims. All EDI claims must be submitted in accordance with HIPAA 5010 Standards and Paper claims must be submitted on either CMS1500 or CMS1450 (UB04) claim forms. HNE’s reimbursement policy includes the use of Current Procedural Terminology (CPT<sup>®1</sup>), guidelines from the Centers for Medicare and Medicaid Services (CMS), and other coding guidelines. Providers will be reimbursed based on the codes(s) that correctly describe the health care services provided.

HNE may use reasonable discretion in interpreting and applying this policy to health care services provided in a particular case. Further, the policy does not address all issues related to reimbursement for health care services provided to HNE enrollees. Other factors affecting reimbursement may supplement, modify or, in some cases, supersede this policy. These factors may include, but are not limited to, legislative mandates, the type of provider agreement and the terms of that agreement, the HNE Provider Manual, and/or the enrollee’s benefit coverage documents.

HNE reserves the right to audit any provider and/or facility to ensure compliance with the guidelines stated in this payment policy in accordance with our provider review policy.

**Resources**

American Medical Association, Current Procedural Terminology (CPT<sup>®</sup>) and associated publications and services

<sup>1</sup> CPT<sup>®</sup> is a registered trademark of the American Medical Association.

## History

Reviewed Date: 12/18/2015