

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. To provide the care deemed appropriate, the type of anesthesia may include, but is not limited to the following:

- General anesthesia
- Regional anesthesia
- Supplementation of local anesthesia
- Other support anesthesia as needed

Services that are part of the anesthesia process include the following:

- Preoperative and postoperative visits
- Anesthesia care during the procedure
- Administration of fluids or blood
- Usual monitoring services (ECK, 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 Accreditation of Nurse Anesthetists, or 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 doctor of medicine (MD) who is licensed to provide health services within the scope of his/her profession under [MN Stat. Chap. 147](#).

SRNA: Student Registered Nurse Anesthetist

Eligible Providers

1. Anesthesiologists (medical doctors of anesthesiology (MDA))
2. Certified registered nurse anesthetist (CRNAs). 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 conscious sedation and deep sedation sections

Covered Services

Pre-Anesthetic Evaluations and Postoperative Visits

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

IMCare 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 service or 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 postoperative visits with the member. IMCare follows Medicare guidelines for reimbursement to anesthesiologists for the supervision of residents.

IMCare does not reimburse for anesthesia assistants or interns.

Concurrent Medical Direction of CRNAs

In all cases where 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 is 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.

Concurrent medically directed anesthesia procedures

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	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 a.m. – 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, the anesthesiologist's 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

IMCare will not reimburse a surgeon for supervision of anesthesia services provided by any of the following:

- Anesthesia assistant
- CRNA
- Intern
- Resident

Payment for Qualifying Circumstances

IMCare reimburses anesthesia “for a patient of extreme age” only if the patient is less than one year or over 70 years. 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:

- Preprocedure visit
- Intraprocedure care
- Postprocedure anesthesia management

During MAC, 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.

Moderate 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 the following:

- Performance and documentation of pre-sedation evaluations of the recipient
- Administration of the sedation of analgesic agents
- Monitoring of cardio respiratory functions (pulse oximetry, cardio respiratory monitor and blood pressure)

Conscious sedation may be administered by physicians (MDs) trained in moderate sedation. Follow current 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)

IMCare covers patient-controlled analgesia for pain with the continuous infusion of pain medication facilitated by an infusion pump in a hospital setting. IMCare 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.

IMCare 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 the unshaded area of box 24G that 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

IMCare 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 ASA anesthesia codes or surgical codes with the appropriate anesthesia modifier. For authorized surgical services, IMCare prefers that anesthesia services are billed using surgical procedure codes with the appropriate anesthesia modifier.

Anesthesiologists and CRNAs must comply with IMCare requirements for billing sterilization procedures. Refer to Chapter 10, Reproductive Health – Obstetrics and Gynecology, 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. IMCare will calculate the base units for each procedure.

Modifiers and Rate Formulas

2018 Anesthesia Rates

IMCare 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. The number of time units divided by 15 is truncated at one decimal place. Example: $62 / 15 = 4.1$.

Modifier	Description	2018 Formula
AA	Anesthesiologist Personally Performed	$(\text{Base units} + (\text{Time units} / 15)) \times 18.00$
AA GC	Anesthesiologist Directing One Anesthesia Resident or SRNA	$(\text{Base units} + (\text{Time units} / 15)) \times 18.00$
QY	Anesthesiologist Directing One CRNA	$(\text{Base units} + (\text{Time units} / 15)) \times 21.33 \times 0.632$
QK	Anesthesiologist Directing 2 – 4 CRNAs	$(\text{Base units} + (\text{Time units} / 15)) \times 21.33 \times 0.632$
QK GC	Anesthesiologist Directing 2 – 4 Anesthesia Residents or SRNAs	$(\text{Base units} + (\text{Time units} / 15)) \times 21.33 \times 0.632$
AD	Anesthesiologist Supervising More Than Four CRNAs	$4 \text{ Base Units} \times 18.00$
QX	CRNA Directed by an Anesthesiologist	$(\text{Base units} + (\text{Time units} / 15)) \times 21.33 \times 0.632$
QZ	CRNA Without Direction by an Anesthesiologist	$(\text{Base units} + (\text{Time units} / 15)) \times 18.00$

2017 Anesthesia Rates

IMCare follows Medicare coverage standards for direction and supervision of CRNAs, 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. The number of time units divided by 15 is truncated at one decimal place. Example: $62 / 15 = 4.1$.

Modifier	Description	2017 Formula
AA	Anesthesiologist Personally Performed	$(\text{Base units} + (\text{Time units} / 15)) \times 18.00$
AA GC	Anesthesiologist Directing One Anesthesia Resident or SRNA	$(\text{Base units} + (\text{Time units} / 15)) \times 18.00$
QY	Anesthesiologist Directing One CRNA	$(\text{Base units} + (\text{Time units} / 15)) \times 21.20 \times 0.632$
QK	Anesthesiologist Directing 2 - 4 CRNAs	$(\text{Base units} + (\text{Time units} / 15)) \times 21.20 \times 0.632$
QK GC	Anesthesiologist Directing 2 – 4 Anesthesia Residents or SRNAs	$(\text{Base units} + (\text{Time units} / 15)) \times 21.20 \times 0.632$
AD	Anesthesiologist Supervising More Than Four CRNAs	$4 \text{ Base units} \times 18.00$
QX	CRNA Directed by an Anesthesiologist	$(\text{Base units} + (\text{Time units} / 15)) \times 21.20 \times 0.632$
QZ	CRNA Without Direction by an Anesthesiologist	$(\text{Base units} + (\text{Time units} / 15)) \times 18.00$

Modifiers

Anesthesia Modifiers	
To properly identify the exact nature of the service provided, use the following HCPCS code modifiers.	
AA	Anesthesia services performed personally by anesthesiologist
AD	Medical supervision by a physician: more than four concurrent anesthesia procedures
QK	Medical direction of two, three, or four concurrent anesthesia procedures involving qualified individuals
QS	MAC 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

Inpatient Hospital CRNA

Inpatient CRNA services must be separately billed on an 837P. Refer to Chapter 14, Hospital Services 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
3. An entity or group 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

Critical Access Hospital (CAH) CRNA

Bill critical access hospital services according to the following if:

- The CAH applied and qualified for the CRNA billing exemption under Medicare Part B, bill for cost-based CRNA services using the 837I
- The CAH did not qualify for the CRNA billing exemption under Medicare Part B, bill for CRNA services using the 837P

See the MN-ITS User Manual for more detailed information on billing for CRNAs who are employees or independent CRNAs.

Legal References

[MN Stat. Chap. 147](#) – Board of Medical Practice

[MN Stat. sec. 256B.0625, subd. 3](#) – Covered Services: Physicians' services

[MN Stat. sec. 256B.0625, subd. 11](#) – Covered Services: Nurse anesthetist services

[Minnesota 2009 Session Law, Chapter 79, article 5, section 25](#)

[Minnesota 2009 Session Law, Chapter 79, article 5, section 28](#)