ANESTHESIA SERVICES, PROFESSIONAL AND FACILITY

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Description

Anesthesia services include all services typically associated with the administration and monitoring of analgesia or anesthesia in order to produce partial or complete loss of sensation and/or consciousness. For purposes of this reimbursement policy, anesthesia services include general anesthesia, regional anesthesia, and monitored anesthesia care (MAC).

Blue Cross Blue Shield North Carolina (Blue Cross NC) uses several factors in determining reimbursement for anesthesia care, including but not limited to: base units, time units, conversion factors, and modifiers. Claims may be processed according to same provider or same group practice. Same group practice is defined as a physician and/or other qualified health care professional of the same group and same specialty with the same Federal Tax ID number.

Policy

Blue Cross NC will allow reimbursement for anesthesia services according to the criteria outlined in this policy, unless modified or superseded by contractual language.

Reimbursement Guidelines

Blue Cross NC reimbursement is time-based, determined by the Blue Cross NC reimbursement formula and applicable modifiers.

Anesthesia Reimbursement Formula

Blue Cross NC anesthesia reimbursement is based on an anesthesia reimbursement formula:

(Base Units + Time Units) X Conversion Factor = Allowance

Blue Cross NC applies the base unit as assigned by the American Society of Anesthesiologists (ASA) to the reported anesthesia procedure code. Time units are calculated by dividing the reported anesthesia time total minutes by 15. Conversion factor (CF) is an incremental multiplier rate defined by specific contracts or industry standards.

Providers must report anesthesia time in one (1) minute increments. Anesthesia time is considered the continuous time of provider personal attendance between start and stop of the anesthesia service. Anesthesia time starts when member preparation for anesthesia administration begins, and it ends when the provider is no longer in personal attendance (i.e., member can be safely placed under postoperative care).

Example: Method for calculating reimbursement for timed anesthesia procedures

Scenario:	**Reimbursement Calculation:**
CF= $30.00 Base unit = 4 Time units = 2 hours, 12 minutes (or 132 mins)	(Base Unit Value + Time Units) X CF= Allowance 132 Minutes / 15 = 8.8 Time Units 4 Base Units + 8.8 Time Units = 12.8 Total Units CF $30 X 12.8 Units = $384 AD = $90 (additional unit may be paid upon appeal)

Anesthesia Modifiers

Blue Cross NC requires the appropriate use of anesthesia modifier(s) to identify who performed the anesthesia service and their involvement – personally performed, medically directed or medically supervised. Anesthesia modifiers indicating who performed the service (performed/medical direction/supervision modifiers) must be submitted in the first modifier position, followed by the physical status modifiers.

It is not appropriate to bill multiple anesthesia modifiers on the same claim line, as they are considered mutually exclusive with exception of Modifier QS. If an anesthesia service changes from the highest level of 'personally performed' to 'medical direction' *or* the lowest level of 'medical supervision', the anesthesia modifier should reflect the lowest level of involvement provided during the service.

Anesthesia modifiers are indicated below:

Anesthesia Modifiers	
AA	Anesthesia services performed personally by an anesthesiologist
AD*	Medical supervision by a physician: more than 4 concurrent anesthesia procedures
QK	Medical direction of 2, 3, or 4 concurrent anesthesia procedures involving qualified individuals
QS	Monitored Anesthesia Care (MAC) services (can be billed by a qualified nonphysician anesthetist or a physician)
QX	Qualified nonphysician anesthetist with medical direction by a physician
QY	Medical direction of one qualified nonphysician anesthetist by an anesthesiologist
QZ	CRNA service: without medical direction by a physician

*Modifier AD will allow only three base units per procedure when the anesthesiologist is involved in furnishing more than four procedures concurrently or is performing other services while directing the concurrent

procedures. One additional base unit may be recognized on appeal if the physician documents their presence at induction.

Physical Status Modifiers

Blue Cross NC allows the appropriate use of physical status modifiers to indicate the various levels of complexity for the anesthesia service. The physical status modifiers (below) may be informational or may add additional unit(s) to the base unit value (as indicated in the anesthesia reimbursement formula).

Physical Status Modifiers		
Modifier	**Additional Base Units**	**Description**
P1	0	A normal healthy patient
P2	0	A member with mild systemic disease
P3	1	A member with severe systemic disease
P4	2	A member with severe systemic disease that is a constant threat to life
P5	3	A moribund member who is not expected to survive without the operation
P6	0	A declared brain-dead member whose organs are being removed for donor purposes

Multiple General Anesthesia Services

Blue Cross NC only allows reimbursement for one anesthesia procedure per date of service. When multiple general anesthesia services are performed on the same date of service, only the procedure with the highest base value should be reported, in addition to the time for all anesthesia services combined.

Monitored Anesthesia

Certain anesthesia services appended with the QS modifier will not be eligible for reimbursement without an appropriate diagnosis or a physical status modifier of P3, P4, or P5, or MAC modifiers G8 or G9 on the claim.

Anesthesia for Pain Management Injections

Under most routine circumstances, minor pain management procedures, including but not limited to, epidural steroid injections, trigger point injections, and epidural blood patch, only require local anesthesia. For adults, an accompanying surgical procedure (other than a pain management procedure) must also be present on the claim for the associated anesthesia and moderate sedation service to be eligible for reimbursement.

Post-Surgical Pain Blocks

When post-surgical pain blocks are placed before induction or after emergence, the time spent placing the block is not reimbursable as an anesthesia service and is not eligible to be added to the reported anesthesia time.

Anesthesia Supplies

Regardless of place of service, Blue Cross NC considers anesthesia supplies incidental to the anesthesia service codes (00100 - 01999) and will not be eligible for separate reimbursement.

Conscious or Moderate Sedation

Blue Cross NC does not allow separate reimbursement for local anesthesia or for anesthesia administered by the operating surgeon, surgical assistant, or dentist. This is considered incidental to the surgical or dental procedure. This includes sedation given for endoscopic procedures including colonoscopy.

Note: Dental anesthesia must be reported using the appropriate ADA dental anesthesia code, not as an anesthesia CPT procedure.

Obstetrical Anesthesia

Blue Cross NC reimburses the following obstetrical anesthesia services at a flat rate and considers these services to be non-timed procedures:

- Anesthesia for vaginal delivery
- Neuraxial labor analgesia/anesthesia for planned vaginal delivery
- Daily hospital management of epidural or subarachnoid continuous drug administration

Anesthesia performed/medical direction/supervision modifiers are required to be reported with the service (refer to the Anesthesia Modifiers section, above). Physical status modifiers are informational only.

Rationale

Anesthesia services as defined in this policy will be reimbursed consistent with guidance from CMS, expert medical society standards as set forth herein and in accordance with correct coding guidelines.

Billing and Coding

Applicable codes are for reference only and are **not** all inclusive. For further information on reimbursement guidelines, please see the Blue Cross NC web site at Blue Cross NC.

Related policy

Anesthesia Services (Medical Policy)

Bundling Guidelines

Guidelines for Global Maternity Reimbursement

Modifier Guidelines

Pricing & Adjudication Principles

Spinal Manipulation under Anesthesia (Medical Policy)

References

American Society of Anesthesiologists (ASA) and ASA Relative Value Guide

Healthcare Common Procedure Coding System

American Medical Association, *Current Procedural Terminology* (CPT®)

Centers for Medicare & Medicaid Services

History

6/1/2022	New policy developed. Medical Director approved. **Notification on 3/31/2022 for effective date 6/1/2022**.
8/1/2022	"Anesthesia Supplies" added to Reimbursement Guidelines section. **Notification on 6/1/2022 for effective date 8/1/2022**.
12/31/2022	Routine Policy Review. Minor revisions only.
4/1/2024	Clarifying updates made to Reimbursement Guidelines. Added language to update Modifier AD reimbursement rates and post-surgical pain blocks. Medical Director approved. **Notification on 2/1/2024 effective 4/1/2024** (ss)

Application

These reimbursement requirements apply to all commercial, Administrative Services Only (ASO), and Blue Card Inter-Plan Program Host members (other Plans members who seek care from the NC service area). This policy does not apply to Blue Cross NC members who seek care in other states.

This policy relates only to the services or supplies described herein. Please refer to the Member's Benefit Booklet for availability of benefits. Member's benefits may vary according to benefit design; therefore, member benefit language should be reviewed before applying the terms of this policy.

Legal

Reimbursement policy is not an authorization, certification, explanation of benefits or a contract. Benefits and eligibility are determined before medical guidelines and payment guidelines are applied. Benefits are determined by the group contract and subscriber certificate that is in effect at the time services are rendered. This document is solely provided for informational purposes only and is based on research of current medical literature and review of common medical practices in the treatment and diagnosis of disease. Medical practices and knowledge are constantly changing and Blue Cross NC reserves the right to review and revise its medical and reimbursement policies periodically.