

Anesthesia - Medicare

Policy Number: UM14P0008A6

Effective Date: August 1, 2014

Last Update: March 31, 2025

PAYMENT POLICY HISTORY

DATE	SUMMARY OF CHANGE
March 31, 2025	Clarified language regarding dually integrated products.
March 17, 2025	Annual review complete. Corrected product names in within applicable products section. Additional updates to definition and payment information sections for clarity.
April 19, 2024	Annual review completed. Intent of policy unchanged; updates were made to clarify wording and to clean up grammar and stylization.
June 22, 2023	Annual policy review completed. Updates made to definitions, provider eligibility, and Modifiers/CPT/HCPCs/Revenue Codes sections.
September 29, 2021	Annual policy review completed. No technical changes were made to the policy.
October 6, 2020	Annual policy review completed. No technical changes were made to the policy. Information was moved to the new UCare format, and as a result some information was reformatted.
April 2, 2019	Annual policy review. Other than updating the UCare logo no changes were made to the policy.
August 2018	Annual policy review. Added information and link regarding UCare fee schedule updates. Information regarding conscious sedation was removed from the policy.
December 2016	Annual policy review, no changes made.
December 2015	Annual policy review, no changes made.
August 1, 2014	The Anesthesia (Medicare) policy is published by UCare.

APPLICABLE PRODUCTS

This policy applies to the products checked below:

UCARE PRODUCT	PRODUCT TYPE	APPLIES TO
UCare Connect + Medicare	Dually Integrated	✓
UCare Minnesota Senior Health Options (MSHO)	Dually Integrated	✓
UCare EssentiaCare Plans	Medicare	✓
UCare Medicare – ISNP	Medicare	✓

UCare Medicare Plans	Medicare	✓
UCare Your Choice Plans	Medicare	✓

TABLE OF CONTENTS

TABLE OF CONTENTS	PAGE
PAYMENT POLICY HISTORY	1
APPLICABLE PRODUCTS	1
TABLE OF CONTENTS.....	2
PAYMENT POLICY OVERVIEW	5
POLICY DEFINITIONS	5
TERM	5
NARRATIVE DESCRIPTION	5
ENROLLEE ELIGIBILITY CRITERIA.....	7
ELIGIBLE PROVIDERS OR FACILITIES.....	7
Provider.....	7
Facility	7
Other and/or Additional Information	8
EXCLUDED PROVIDER TYPES	8
MODIFIERS, CPT, HCPCS, AND REVENUE CODES	8
General Information	8
Anesthesia Modifiers	8
CPT and/or HCPCS Code(s).....	8
Revenue Codes.....	8
PAYMENT INFORMATION	9
General Anesthesia	9
Reimbursement Formula	9
Monitored Anesthesia Care	10

Modifier Payment Grid and Additional Payment Information	10
Physical Status Modifiers (Informational).....	12
BILLING REQUIREMENTS AND DIRECTIONS.....	12
PRIOR AUTHORIZATION, NOTIFICATION, AND THRESHOLD INFORMATION	12
Prior Authorization, Notification, and Threshold Requirements.....	12
RELATED PAYMENT POLICY INFORMATION.....	13
SOURCE DOCUMENTS AND REGULATORY REFERENCES	13
NGS.....	13
CMS	13
DISCLAIMER.....	13

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PAYMENT POLICY INSTRUCTIONS

A payment policy assists in determining provider reimbursement for specific covered services. To receive payment, the provider must be in a contractual relationship with UCare and provide services to a member enrolled in one of UCare's products. This payment policy is intended to provide a foundation for system configuration, work instructions, call scripts, and provider communications. A payment policy describes the rules for payment, which include applicable fee schedules, additional payment rules by regulatory bodies, and contractual terms. This policy is a general guideline and may be superseded by specific provider contract language.

PAYMENT POLICY OVERVIEW

This policy outlines the payment and billing requirements for general and monitored anesthesia care services.

POLICY DEFINITIONS

TERM	NARRATIVE DESCRIPTION
Anesthesiologist Assistant (AA)	An AA is a masters level educated individual who can work collaboratively under the direction of an anesthesiologist. Anesthesiologist assistants obtain pre-anesthetic health history, perform preoperative physical exams, establish non-invasive and invasive monitors, administer medications, evaluate, and treat life-threatening situations, and execute general and regional anesthetic techniques, as delegated by the anesthesiologist.
Base Units or Base Value	The number of units assigned to the ASA code (00100 – 01999).
Certified Registered Nurse Anesthetist (CRNA)	An advanced practice registered nurse (APRN) who has acquired graduate-level education and board certification in anesthesia.
Concurrency	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.
General Anesthesia	A medically induced state of unconsciousness and loss of protective reflexes, resulting from the administration of one or more general anesthetic agents.

TERM	NARRATIVE DESCRIPTION
Medically Directed	<p>Medical direction occurs if the physician medically directs qualified individuals in two, three, or four concurrent cases, and the physician performs the following activities:</p> <ul style="list-style-type: none"> • Pre-anesthetic examination and evaluation • Prescribes the anesthesia plan • Personally participates in the most demanding procedures in the anesthesia plan, including, if applicable, induction and emergence • Ensures that any procedures in the anesthesia plan that he or she does not perform are performed by a qualified anesthetist • Monitors the course of anesthesia administration at frequent intervals • Remains physically present and available for immediate diagnosis and treatment of emergencies • Provides indicated post-anesthesia care <p>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/or post-anesthesia exam and evaluation while another fulfills the other criteria. The medical record must reflect that services were performed by multiple physicians and identify the physicians who furnished them.</p>
Medically Supervised	<p>Medically supervised care occurs when the anesthesiologist engages in supervising more than four procedures concurrently or is performing other services for a significant period while directing concurrent procedures.</p>
Monitored Anesthesia Care (MAC)	<p>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. MAC is eligible for payment when performed by an eligible provider (see above), and all the following criteria is met:</p> <ul style="list-style-type: none"> • MAC is requested by the attending physician or operating surgeon; • There is performance of a pre-anesthetic examination and evaluation; • There is a prescriptive anesthesia plan outlining the anesthesia care required; • Administration of necessary oral and parenteral medication takes place, and; • There is continuous physical presence of the anesthesiologist or in the case of medical direction, a qualified anesthetist.

TERM	NARRATIVE DESCRIPTION
Personally Performed	<p>Medicare states the anesthesiologist may bill for personally performed services when he or she:</p> <ul style="list-style-type: none"> • Personally performed the entire anesthesia service alone • 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 • Participate 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 • Are continuously involved in a single case involving a student nurse anesthetist.

ENROLLEE ELIGIBILITY CRITERIA

THIS SECTION OF THE POLICY PROVIDES INFORMATION THAT IS SPECIFIC TO THE UCARE MEMBER, INCLUDING INFORMATION ABOUT THE CRITERIA THE MEMBER MUST MEET IN ORDER FOR THE SERVICE(S) IN THE POLICY TO BE ELIGIBLE FOR PAYMENT.

The member must be actively enrolled in a UCare Medicare or UCare Dually Integrated product.

ELIGIBLE PROVIDERS OR FACILITIES

OUTLINED BELOW IS THE SPECIFIC CRITERIA A PROVIDER MUST MEET IN ORDER FOR THE SERVICE(S) IN THIS POLICY TO BE ELIGIBLE FOR PAYMENT.

Provider

The following providers are eligible to furnish and bill for the Anesthesia services:

- Physician Anesthesiologist
- Certified Registered Nurse Anesthetist (CRNA)
- Anesthesiologist Assistant (AA)

NOTE: Medicare's and MHCP's list of eligible providers are **not** the same.

Facility

Not applicable.

Other and/or Additional Information

Not applicable.

EXCLUDED PROVIDER TYPES

OUTLINED BELOW IS INFORMATION REGARDING PROVIDERS WHO ARE NOT ELIGIBLE TO FURNISH THE SERVICE(S) LISTED IN THIS POLICY.

Not applicable.

MODIFIERS, CPT, HCPCS, AND REVENUE CODES**General Information**

The Current Procedural Terminology (CPT®), Healthcare Common Procedure Coding System (HCPCS), and Revenue codes listed in this policy are for reference purposes only. Including information in this policy does not imply that the service described by a code is a covered or non-covered health service. The inclusion of a code does not imply any right to reimbursement or guarantee of claim payment.

Anesthesia Modifiers

Modifiers appended to anesthesia claims have a significant impact on payment. Detailed information regarding anesthesia modifiers, their use and impact on payment is outlined in the Payment Information section of this policy.

CPT and/or HCPCS Code(s)

For general anesthesia and monitored anesthesia care (MAC) the code-set established by the American Society of Anesthesiologists (ASA) is used to bill for anesthesia care. Services should be billed using the most current and appropriate ASA code.

CPT® is a registered trademark of the American Medical Association.

Revenue Codes

Not applicable.

PAYMENT INFORMATION

General Anesthesia

Code-Set

UCare uses anesthesia codes and base values adopted from the list values established by the American Society of Anesthesiologists (ASA).

Payment Guidelines

Anesthesia administration includes the following services:

- Preoperative and postoperative visits
- Anesthesia care during the procedure
- Administration of fluids and blood
- Usual monitoring (e.g., ECG, temperature, blood pressure, oximetry, capnography, mass spectrometry) as defined by ASA and/or CPT guidelines.

General Anesthesia is personally performed by an anesthesiologist or CRNA/AA (medically directed by an anesthesiologist, or medically supervised by an anesthesiologist).

Outlined below is general information related to the reimbursement formulas used for UCare's Medicare products or Dually Integrated products when Medicare is responsible for the primary payment:

Reimbursement Formula

REIMBURSEMENT FORMULA	PAYMENT INFORMATION
<p><i>Personally, Performed and Medically Directed Formula</i> (ASA Base Units) + (Total Time / 15 (rounded to the nearest tenth)) x Current Conversion Factor</p> <p><i>Medically Supervised</i> Allow three (3) base units, and one (1) additional base unit when it is demonstrated that the physician was present at the induction x Current Conversion Factor</p>	<p><i>Personally Performed</i> – 100% of the allowed amount</p> <p><i>Medically Directed</i> – 50% of the allowed amount</p> <p><i>Medically Supervised</i> – Refer to the modifier payment grid listed below.</p>

Monitored Anesthesia Care

Monitored anesthesia care involves the intra-operative monitoring by a physician or qualified individual under the medical direction of a physician or of the patient's vital physiological signs in anticipation of the need for administration of general anesthesia or of the development of adverse physiological patient reaction to the surgical procedure. It also includes the performance of a pre-anesthetic examination and evaluation, prescription of the anesthesia care required, administration of any necessary oral or parenteral medications (e.g., Atropine, Demerol, Valium) and provision of indicated postoperative anesthesia care

Modifier Payment Grid and Additional Payment Information

The allowed amount is determined based on the anesthesia procedure that has the highest ASA base unit value. Information regarding payment is outlined below.

MODIFIER(S)	NARRATIVE DESCRIPTION	Oversight	Provider Type	Additional Medicare Info
AD	Medical Supervision by a physician; more than 4 concurrent anesthesia procedures	Medically Directed / Supervised	Anesthesiologist	Allow three (3) base units, and one (1) additional time 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	Medically Directed / Supervised	Anesthesiologist	Reimbursed at 50% of the Medicare allowed amount
QX	CRNA service with medical direction by a physician	Medically Directed / Supervised	CRNA / AA	Reimbursed at 50% of the Medicare allowed amount
QY	Medical direction of one qualified non-physician anesthetist by an anesthesiologist	Medically Directed / Supervised	Anesthesiologist	Reimbursed at 50% of the Medicare allowed amount
G8	Monitored anesthesia care (MAC) for deep complex, complicated, or markedly invasive surgical procedures	Monitored Anesthesia Care (MAC)	Anesthesiologist CRNA / AA	Informational modifier to indicate MAC services were provided The personally performed or the appropriate medical direction modifier must be submitted with this modifier. Submit actual time on the claim. Payment guidelines – same as general anesthesia
G9	Monitored anesthesia care for patient who has a history of severe cardio-pulmonary condition	Monitored Anesthesia Care (MAC)	Anesthesiologist, CRNA / AA	See G8
QS	Monitored anesthesia care service (The –QS modifier can be used by a physician or a qualified non-physician anesthetist)	Monitored Anesthesia Care (MAC)	Anesthesiologist, CRNA / AA	See G8
AA	Anesthesia Services performed personally by the anesthesiologist	Personally Performed	Anesthesiologist	Reimbursed at 100% of the Medicare allowed amount
QZ	CRNA service without medical direction by a physician	Personally Performed	CRNA / AA	Reimbursed at 100% of the Medicare allowed amount
GC	These services have been performed by a resident under the direction of a teaching physician.	Resident - Teaching Facility	Anesthesiologist	The GC modifier is reported by the teaching physician to indicate they rendered the service in compliance with Chapter 12 of Medicare's Claims Processing Manual. 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. If the teaching anesthesiologist is medically directing 2 – 4 concurrent cases, any of which involved residents, payment is based on 50% of the anesthesia fee schedule (standard for payment method).

Physical Status Modifiers (Informational)

Modifier	Modifier Narrative
P1	A normal healthy patient
P2	A patient with mild systemic disease
P3	A patient with severe systemic disease
P4	A patient with severe systemic disease that is a constant threat to life
P5	A moribund patient who is not expected to survive without the operation
P6	A declared brain-dead patient whose organs are being removed for donor purposes

Note: The physical status modifiers are considered informational only and do not affect payment.

BILLING REQUIREMENTS AND DIRECTIONS

When submitting claims follow the guidelines outlined below:

- Claims should be submitted using the MN-ITS 837-P format or the electronic equivalent;
- Do not submit anesthesia base units on the claim. They will be included in the calculation of the allowed amount;
- For anesthesia time:
 - 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;
 - Ucare will translate the number of anesthesia minutes submitted by the provider to units of service;
 - Fifteen (15) minutes of time equals one unit of service; and
 - Units will be calculated to one decimal point. (Example: 62 minutes / 15 = 4.1 units of service).

PRIOR AUTHORIZATION, NOTIFICATION, AND THRESHOLD INFORMATION

Prior Authorization, Notification, and Threshold Requirements

Ucare does update authorization, notification, and threshold requirements from time-to-time. The most current prior authorization requirements can be found [here](#).

RELATED PAYMENT POLICY INFORMATION

OUTLINED BELOW ARE OTHER POLICIES THAT MAY RELATE TO THIS POLICY AND/OR MAY HAVE AN IMPACT ON THIS POLICY.

POLICY NUMBER	POLICY TITLE
SC14P0005A6	Anesthesia - MHCP

SOURCE DOCUMENTS AND REGULATORY REFERENCES

LISTED BELOW ARE LINKS TO CMS, MHCP, AND STATUTORY AND REGULATORY REFERENCES USED TO CREATE THIS POLICY.

NGS

[Anesthesia - NGS MEDICARE](#)

CMS

[Anesthesiologist Center](#)

[IOM-04 Medicare Claims Processing Manual, Chapter 12 Physicians/Nonphysician Practitioners, Section 50 and Section 100.1.2](#)

DISCLAIMER

“Payment Policies assist in administering payment for UCare benefits under UCare’s health benefit plans. Payment Policies are intended to serve only as a general reference resource regarding UCare’s administration of health benefits and are not intended to address all issues related to payment for health care services provided to UCare members. When submitting claims, all providers must first identify member eligibility, federal and state legislation, or regulatory guidance regarding claims submission, UCare provider participation agreement contract terms, and the member-specific Evidence of Coverage (EOC) or other benefit document. In the event of a conflict, these sources supersede the Payment Policies. Payment Policies are provided for informational purposes and do not constitute coding or compliance advice. Providers are responsible for submission of accurate and compliant claims.

In addition to Payment Policies, UCare also uses tools developed by third parties, such as the Current Procedural Terminology (CPT®*), InterQual guidelines, Centers for Medicare and Medicaid Services (CMS), the Minnesota Department of Human Services (DHS), or other coding guidelines, to assist in administering health benefits. References to CPT® or other sources in UCare Payment Policies are for definitional purposes only and do not imply any right to payment. Other UCare Policies and Coverage Determination Guidelines may also apply. UCare reserves the right, in its sole discretion, to modify its Policies and Guidelines as necessary and to administer payments in a manner other than as described by UCare Payment Policies when necessitated by operational considerations.”