

Anesthesia Services

Revised: [January 1, 2024](#)

- [Overview](#)
- [Eligible Providers](#)
- [Eligible Members](#)
- [Covered Services](#)
 - [Pre-anesthetic Evaluations and Post-operative Visits](#)
 - [Criteria for Medical Direction](#)
 - [Concurrent Medical Direction of CRNAs](#)
 - [Criteria for Supervision](#)
 - [Surgeon Supervision of Anesthesia Services](#)
 - [Monitored Anesthesia Care \(MAC\)](#)
 - [Moderate Sedation \(Conscious Sedation\)](#)
 - [Deep Sedation](#)
 - [Member-Controlled Analgesia \(During Hospitalization\)](#)
 - [Special Services](#)
- [Billing](#)
 - [Claim Documentation Requirements](#)
 - [Exact Minutes](#)
 - [MHCP Anesthesia Payment Formulas](#)
 - [Modifiers](#)
 - [Payment for Qualifying Circumstances](#)
 - [MAC by an Anesthesiologist](#)
 - [MAC by a CRNA](#)
 - [Conscious Sedation](#)
 - [Deep Sedation](#)
 - [Member-Controlled Analgesia \(During Hospitalization\)](#)
 - [Epidural Analgesia for Vaginal or Cesarean Delivery](#)
 - [Anesthesia for Ocular Procedures and Pacemakers](#)
 - [Special Services](#)
 - [Inpatient Hospital CRNA](#)
 - [MHCP-Enrolled CRNA](#)
 - [Critical Access Hospital \(CAH\) CRNA](#)
- [Definitions](#)
- [Legal References](#)

Overview

Anesthesia services are provided to patients undergoing surgical or nonsurgical procedures in an outpatient or inpatient setting where the administration of an anesthetic is required. Reporting 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:

- Pre-operative and post-operative visits
- Anesthesia care during the procedure
- Administration of fluids or blood
- Usual monitoring services (EKG, temperature, blood pressure, oximetry, capnography and mass spectrometry)

Eligible Providers

Eligible providers include the following:

- Anesthesiologists (MDAs)
- Certified registered nurse anesthetist (CRNAs). CRNAs must enroll and sign a provider agreement to be eligible for reimbursement
- Physicians (MDs) under limited conditions as described in the conscious sedation and deep sedation sections

Provider Type Home Page Links

Review related web pages for the latest news and additions, forms and quick links.

- [CRNA Enrollment Criteria and Forms](#)
- [Hospital Services](#)
- [Managed Care or Prepaid Health Plans](#)
- [Tribal and Federal Indian Health Services \(IHS\)](#)

Eligible Members

Minnesota Health Care Programs (MHCP) members are eligible when undergoing surgical or nonsurgical procedures in an outpatient or inpatient setting where the administration of an anesthetic is required.

Covered Services

Pre-anesthetic Evaluations and Post-operative Visits

MHCP uses the Centers for Medicare & Medicaid Services (CMS) list of base values, 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 the surgery was cancelled.

If an anesthetic is not administered due to a surgery cancellation, the anesthesiologist or independent CRNA may bill an Evaluation and Management (E/M) 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, they furnish to CRNAs.

MHCP will reimburse medical direction services personally performed by an anesthesiologist only if the anesthesiologist:

- Performs a pre-anesthetic examination and evaluation
- Prescribes the anesthesia plan
- Personally participates in the most demanding procedures in the anesthesia plan, including induction and emergence (if applicable)
- Ensures any procedures in the anesthesia plan they do not perform are performed by a qualified individual
- Monitors the course of anesthesia administration at frequent intervals

- Remains physically present in the surgical suite and available for immediate diagnosis and treatment of emergencies
- 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. The medical record **must** indicate physicians who provided the services and identify the physicians who rendered them.

MHCP will reimburse anesthesiologists for supervision of residents, per Medicare's formula and restrictions. The teaching physician must be present during induction, emergence and all critical portions of the procedure and be immediately available to provide services during the entire service or procedure. 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. MHCP follows Medicare guidelines for reimbursement to anesthesiologists for the supervision of residents.

MHCP does not reimburse for anesthesia assistants or interns.

Concurrent Medical Direction of CRNAs

Anesthesiologists must be physically present in the operating suite in all cases where the anesthesiologist provides medical direction.

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.

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 regards to the maximum number of procedures the anesthesiologist is medically directing within the context of a single procedure and whether or not these other procedures overlap each other. The following table illustrates the concept of concurrency:

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.				
Procedures	Time of Total Surgery	Physician Concurrently Directed Cases	Concurrently Directed Cases Time Frame	Number of Directed Surgeries
A	8 - 8:20 a.m.	A and B	8:10 - 8:20 a.m.	2
B	8:10 - 8:45 a.m.	B and C	8:20 - 8:45 a.m.	2
C	8:30 - 9:15 a.m.	C, D and E	9 - 9:15 a.m.	3
D	9 a.m. - 12 noon	C, D and E	9 - 9:15 a.m.	3
E	9:10 - 9:55 a.m.	C, D and E	9 - 9:15 a.m.	3

Criteria for Supervision

When the anesthesiologist does not fulfill the criteria listed in the Concurrent medically directed anesthesia procedures table or is involved in concurrently supervising more than four procedures, the anesthesiologist's supervisory services are considered services to the hospital and are reimbursable only to the hospital. MHCP will consider payment for pre-anesthesia services up to and including induction, when personally performed by the anesthesiologist.

Surgeon Supervision of Anesthesia Services

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

- Anesthesia assistant
- CRNA
- Intern
- Resident

Monitored Anesthesia Care (MAC)

Monitored anesthesia care is a specific anesthesia service where an anesthesiologist or CRNA was requested to participate in the care of a patient undergoing a diagnostic or therapeutic procedure.

Monitored anesthesia care includes all the following aspects of anesthesia care:

- Pre-procedure visit
- Intra-procedure care
- Post-procedure anesthesia management

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

- Monitoring of vital signs, maintenance of the patient's airway and continual evaluation of vital functions
- Diagnosis and treatment of clinical problems that occur during the procedure
- Administration of sedatives, analgesics, hypnotics, anesthetic agents or other medications as necessary to ensure patient safety and comfort
- 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 where the loss of normal protective reflexes or loss of consciousness is likely. Monitored anesthesia care refers to those clinical situations where the patient remains able to protect the airway for the majority of the procedure. If, for an extended period, the patient is rendered unconscious or loses normal protective reflexes, then anesthesia care is considered a general anesthetic.

Moderate Sedation (Conscious Sedation)

The intent of moderate sedation is for the member to remain conscious and able to communicate during the entire procedure. The member retains the ability to independently and continuously maintain a patent airway and respond appropriately to physical stimulation or verbal command.

Moderate sedation includes the following:

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

Deep Sedation

Deep sedation is a drug-induced depression of consciousness during which patients cannot be easily aroused but purposefully respond 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.

Emergency medicine physicians (MDs) whose advance practice training has prepared them for airway management, advanced life support and rescue from any level of sedation may administer deep sedation.

Member-Controlled Analgesia (During Hospitalization)

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

MHCP covers medically necessary daily pain management service. The service must be conducted face to face.

Special Services

MHCP covers specialized services performed by an anesthesiologist or independent CRNA, such as insertion of Swan-Ganz catheters, placement of central venous lines and arterial lines.

Billing

Claim Documentation Requirements

Submit claims for anesthesia services using 837P. Use the specific CPT ASA anesthesia codes or surgical codes with the appropriate anesthesia modifier in the first modifier position. For authorized surgical services, MHCP prefers that anesthesia services are billed using surgical procedure codes with the appropriate anesthesia modifier.

Anesthesiologists and CRNAs must comply with MHCP requirements for billing sterilization procedures. Submit a [Consent for Sterilization Form](#), signed and dated by the member and the physician, with anesthesia claims for sterilization procedures. Refer to the [Sterilization](#) section of the MHCP Provider Manual for additional information.

Exact Minutes

Submit the exact number of minutes from the preparation of the member for induction to the time when the anesthesiologist or the CRNA was no longer in personal attendance or continued to be required. Enter only the number of minutes in the service unit count field on the electronic claim. MHCP will calculate the base units for each procedure.

Use the following formula chart to determine the MHCP anesthesia payment rate for the current and previous year.

MHCP Anesthesia Payment Formulas

MHCP follows Medicare coverage standards for direction and supervision of CRNAs, student registered nurse anesthetists (SRNAs) and anesthesia residents.

Time units equals 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 time units are divided into 15-minute increments (divide time units by 15) and then it is rounded to one decimal place.

Example: $62/15 = 4.1$.

2024 Anesthesia Rates

Modifier	Description	2024 Formula
AA	Anesthesiologist personally performed	$(\text{Base units} + [\text{time units} / 15]) \times 18.00$
AA GC	Anesthesiologist directing one anesthesia	$(\text{Base units} + [\text{time units} / 15]) \times 18.00$

	resident or SRNA	
QY	Anesthesiologist directing one CRNA	(Base units + [time units / 15]) X 19.60 X 0.632
QK	Anesthesiologist directing 2 – 4 CRNAs	(Base units + [time units / 15]) X 19.60 X 0.632
QK GC	Anesthesiologist directing 2 – 4 anesthesia residents or SRNAs	(Base units + [time units / 15]) X 19.60 X 0.632
AD	Anesthesiologist supervising more than four CRNAs	4 base units X 18.00
QX	CRNA directed by an anesthesiologist	(Base units + [time units / 15]) X 19.60 X 0.632
QZ	CRNA without direction by an anesthesiologist	(Base units + [time units / 15]) X 18.00

2023 Anesthesia Rates

Modifier	Description	2023 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 19.81 X 0.632
QK	Anesthesiologist directing 2 – 4 CRNAs	(Base units + [time units / 15]) X 19.81 X 0.632
QK GC	Anesthesiologist directing 2 – 4 anesthesia residents or SRNAs	(Base units + [time units / 15]) X 19.81 X 0.632
AD	Anesthesiologist supervising more than four CRNAs	4 base units X 18.00
QX	CRNA directed by an anesthesiologist	(Base units + [time units / 15]) X 19.81 X 0.632
QZ	CRNA without direction by an anesthesiologist	(Base units + [time units / 15]) X 18.00

Modifiers

Anesthesia Modifiers	
Use the following HCPCS code modifiers to properly identify the exact nature of the service provided.	
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	Monitored anesthesia care services – this modifier must be in a secondary position when used
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 (for informational purposes only)

Payment for Qualifying Circumstances

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

MAC by an Anesthesiologist

Monitored anesthesia care (MAC) is a covered service if the anesthesiologist performs the 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. The anesthesiologist must meet the [criteria for medical direction](#) if the anesthesiologist is billing for medical direction. Modify the procedure code to indicate whether the service was done under medical direction or personally performed. Indicate QS as the secondary modifier.

MAC by a CRNA

Monitored anesthesia care is a covered service if the CRNA performs the services. The time the CRNA is physically present with the member is covered. Use the appropriate anesthesia or surgical procedure code to bill this service and indicate the exact number of minutes in direct contact with the member. Modify the procedure code indicating the service was done under [criteria for medical direction](#) or independently performed. Indicate QS as the secondary modifier.

Conscious Sedation

Conscious sedation may be administered by physicians (MDs) trained in moderate sedation. Follow current CPT guidelines for the use of conscious sedation codes. Do not bill using conscious sedation codes when anesthesia services are provided at the same time.

Deep 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 emergency medicine physicians perform deep sedation, add modifier AA to the procedure code.

Member-Controlled Analgesia (During Hospitalization)

MHCP 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.

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 separately bill the placement of the epidural catheter. Indicate the number of minutes in the service unit count field on the electronic claim that equals the actual time the anesthesiologist or CRNA is physically present with the member.

Refer to the [MN-ITS User Manual](#) for more detailed information.

Anesthesia for Ocular Procedures and Pacemakers

Anesthesia policy for ocular and pacemaker surgery follows Medicare guidelines.

Special Services

Bill these services with the appropriate unmodified CPT codes that describe the services. Bill the services as surgical procedures and no time units.

Inpatient Hospital CRNA

Inpatient CRNA services must be separately billed on an 837P. Refer to [Hospital Services](#) for additional billing information.

MHCP-enrolled CRNA

Bill for MHCP-enrolled CRNA services provided in an outpatient hospital setting by any of the following on the 837P:

- A CRNA independent or employed by a physician
- A CRNA employed by a hospital
- An entity or group not enrolled as a hospital that is billing CRNA services
- A 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](#)

Refer to the [MN-ITS User Manual](#) for more detailed information on billing for CRNAs who are employees or independent CRNAs.

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 them out of the operating room. It will be assumed that if the anesthesiologist leaves the operating room, the anesthesiologist was 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 their profession under [Minnesota Statutes, 147](#).

SRNA: Student Registered Nurse Anesthetist.

Legal References

[Minnesota Statutes, 147](#)

[Minnesota Statutes, 256B.0625](#), subdivision 3; subdivision 11 (Physicians' services; Nurse anesthetist services)

