

Medicare as a Second Language

Policy & Practice Issues for CRNAs

Lee S. Broadston
President & CEO
BCS, Incorporated

New York Association of Nurse Anesthetists
May 2009

Medicare as a Second Language

Policy & Practice Issues for CRNAs

- **27 Years of Healthcare Management Experience**
- **\$420,000,000. + Managed in over 40 States**
- **85% of Clientele are CRNA Only Practices**
- **Urban and Rural CRNA Practice Expertise**
- **Hospital and Private Group Consulting Detail**
- **AANA CAER Commission member**
- **AANA National Anesthesia Payment Panel Member**
- **Contributory Author – AANA and private sector publications**
- **Corporate offices located in Waconia, Minnesota**

Medicare as a Second Language

Medicare & CRNA Practice

Medicare's Impact

- Enrollment of CRNAs as Medicare Providers

855B Group - *65+ pages*

855I Individual - *29+ pages*

855R Reassignment / Established

- Provider's Effective Date – *Retroactive?*
- CPT Procedure and Diagnosis Coding
- *Who Does **Your** Coding? Degreed/Certified*

Medicare as a Second Language

Medicare & CRNA Practice

Medicare's Impact

Modifiers *QZ, or QX, QS, and G8*

QZ Non Medically Directed 100% of Fee Schedule

QX Medically Directed 50% of Fee Schedule

QS Monitored Anesthesia Care

G8 Surgical Procedure –Deep/Complex/Invasive

GA ABN – Advance Beneficiary Notification on file

- CMS 1500 Format 33 Total Elements
- National Standard Format NSF Current 4010A1
- Electronic Submission-EDI Deadline 2012 5010

The Layers of Medicare

Medicare's Organization

- Carriers – A private company that has a contract with Medicare to pay your Medicare Part B claims
 - *Blue Cross & Blue Shield of Florida, WPS*
- Contractor - An entity that has an agreement with CMS to perform a project.
 - *Noridian Administrative Services*
 - *CERT Operations*
 - *RAC – Recovery Audit Contractors*

Medicare as a Second Language

The Layers of Medicare

Medicare's Organization

- Regional Offices - [10](#) - work closely with Medicare contractors in their assigned geographical areas.
- CMS – Centers for Medicare and Medicaid - Baltimore, MD

Medicare as a Second Language

CRNAs and Medicare

- CRNAs are recognized - they or their employers should bill Medicare Part-B directly. *(41 CFR §414.60)*
- **CRNAs are an additional REVENUE SOURCE – *New Term to many***
- Failure to Bill Medicare Part B will result in reimbursement **LOSSES**
- **Yes... there are facilities not billing Medicare for their CRNA Services.**

Medicare as a Second Language

Medicare Payment Policy for CRNAs

The Relative Value Anesthesia Charge Structure

Two Primary Components

- Base Weight or Value Expressed in Units
- Time Value Expressed in 15 Minute Units

Total Units X Conversion Factor

QZ 10 units X \$17.76 = \$ 177.60

QX 10 units X 8.88 = \$ 88.80

Medicare as a Second Language

Medical Direction -QX

Medical Direction – When an anesthesiologist fulfills the following criteria for each case, Medical Direction of a CRNA takes place. These are payment requirements not quality of care standards. (63 FR 58843, 11/02/98)

- Medically Directed -**QX** CRNAs are entitled to 50% of the fee schedule for each case.
- MD/anesthesiologist entitled to 50% of the fee schedule for each case – *1- 4 concurrent cases. Up to a maximum of four concurrent cases.* (42 CFR §415.110)

Medicare as a Second Language

Medical Direction Criteria

(42 CFR §415.110)

For each patient, to receive payment for medical direction the physician must:

- (i) Perform a pre-anesthetic examination and evaluation;
- (ii) Prescribe the anesthesia plan;
- (iii) Personally participate in the most demanding aspects of the anesthesia plan including, if applicable, induction and emergence;

Medicare as a Second Language

Medical Direction Criteria

- (iv) Ensure that any procedures in the anesthesia plan that he or she does not perform are performed by a qualified individual as defined in operating instructions;
- (v) Monitor the course of anesthesia administration at frequent intervals;
- (vi) Remain physically present and available for immediate diagnosis and treatment of emergencies; and
- (vii) Provide indicated post-anesthesia care.

Medicare as a Second Language

Medical Direction

Documentation Requirements

Condition of Payment:

The physician/anesthesiologist ***must*** document in the patient's medical record that he/she has met ***all 7*** medical direction steps.

(42 CFR § 415.110)

Medicare as a Second Language

Medical Direction Vs. Medical Supervision

Medical Direction

Involvement in up to four concurrent cases – meeting Medical Direction criteria. -QY or – QK = 50% of the Fee Schedule

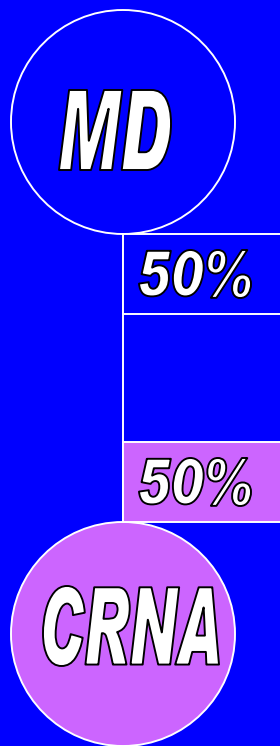
Medical Supervision

Involvement in more than four concurrent cases. -AD maximum of 4 units at 50% of Schedule

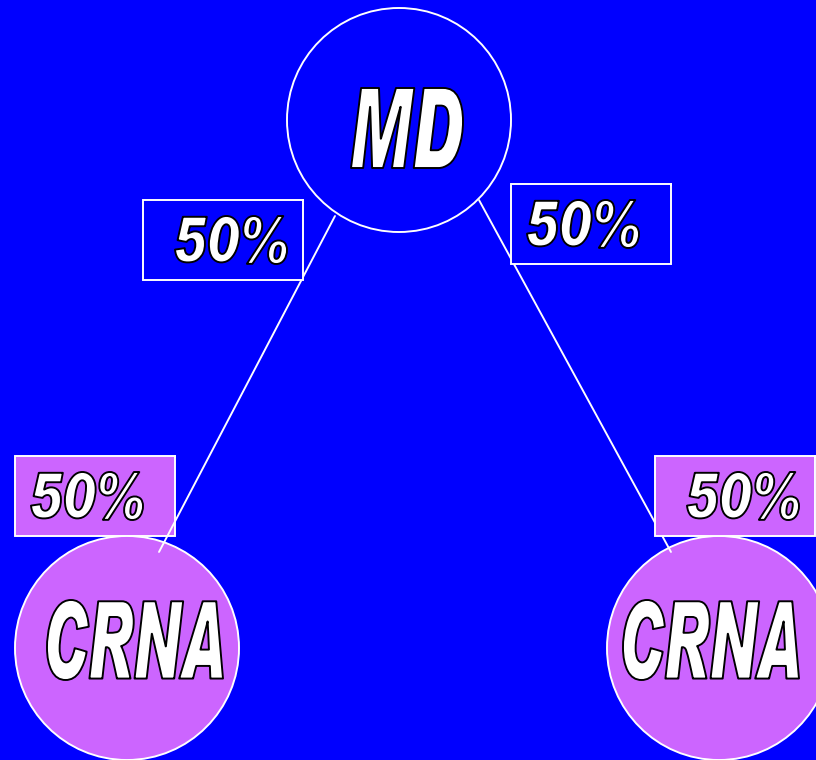
Medicare as a Second Language

Medical Direction Diagrams

1:1 Ratio -QY



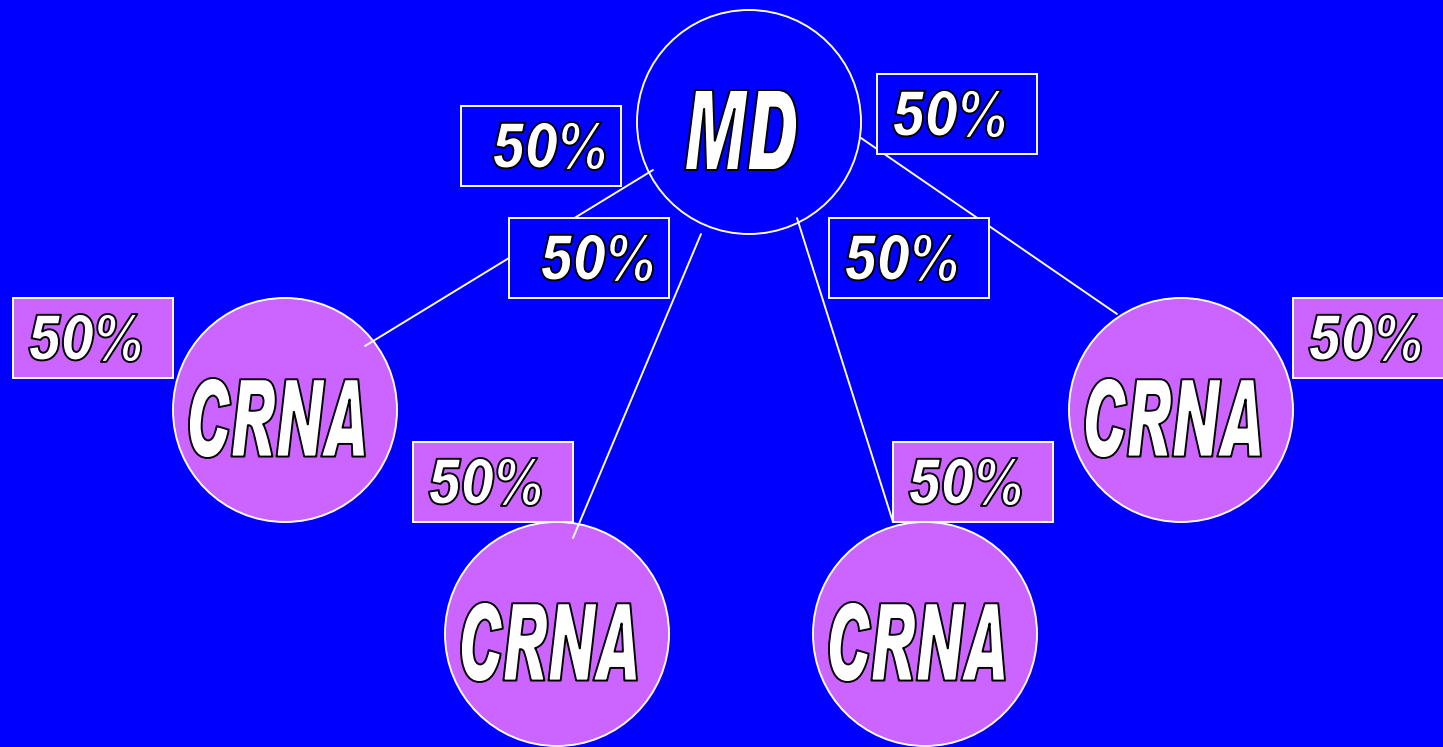
2:1 Ratio -QK



Medicare as a Second Language

Medical Direction Diagram

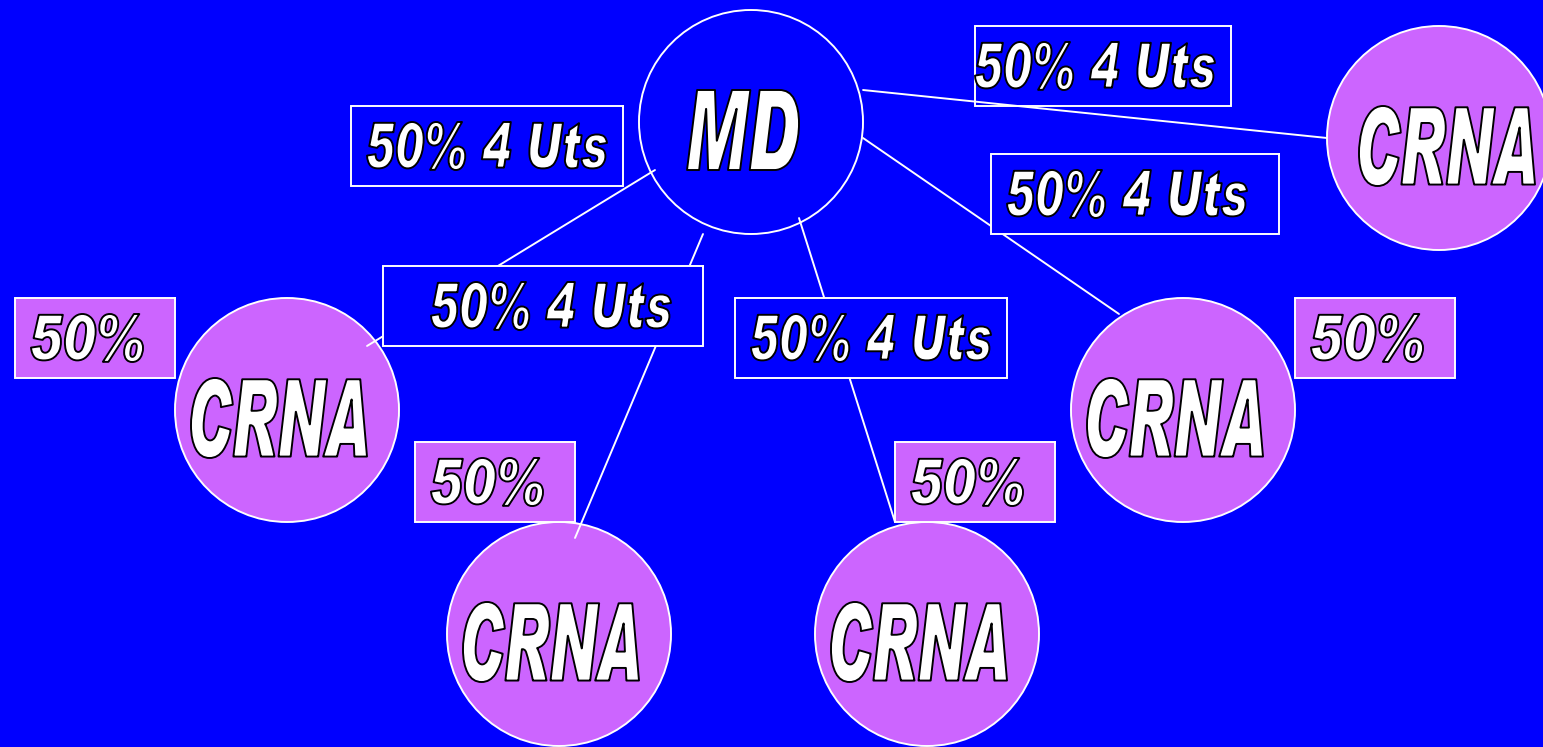
4:1 Ratio -QK



Medicare as a Second Language

Medical Supervision Diagram

5 + :1 Ratio –AD Maximum of 4 units if present for induction at 50% of Fee Schedule.



Medicare as a Second Language

Billing for Anesthesiologist Assistants (AAs)

- AAs **cannot** bill Medicare directly.
- AAs **cannot** practice independently.
- For the anesthesiologist to bill for the AAs services the AA *must* work under the **direct supervision** of an anesthesiologist. (42 CFR §410.69)

Medicare as a Second Language

HIPAA Implementation

Health Insurance Portability and
Accountability Act of 1996 PL104-191

HIPAA Purpose and Key Terms

- Increase efficiency of the industry with administrative and financial data exchange
- Enhance security of patient information and provide confidentiality
- Eventually decrease industry transaction costs
- Key Terms – Compliance Plan, Business Associate Agreement, transaction code sets, privacy and compliance officers, compliance log, data accessing recording, minimum need.

Medicare as a Second Language

HIPAA Implementation

Health Insurance Portability and Accountability Act
of 1996 PL104-191

Important HIPAA Information

CRNAs... Is your practice in compliance?

- Privacy Compliance – 04-14-2003
 - *Privacy Statement for your patients*
 - *Compliance plan and officer*
- Transaction Code Compliance 10-16-2003
 - *CPT-4 Code uniformity – Anesthesia Codes – All Payers*
- **Security Compliance** 04-21-2005
- **Password Access to data**
 - *Minimum need to know/access/Recording/Log/Journal*

Medicare as a Second Language

HIPAA - National Provider Identification - NPI

- Purpose – Streamline administrative procedures, credentialing, enrollment
 - *state to state and payer to payer*
 - *Government and private payer community*
- National Provider ID Deadline 05-2008
 - *Universal Applications to commence 05-2005*
 - *SRNAs – should not apply until certified.*
 - *Fully operational at this time.*

Medicare as a Second Language

FTC Red Flag Identity Theft Prevention - May 1, 2009*

- Each healthcare practice qualifies as a covered entity under this ruling – each is considered a 'credit grantor.'
- Written policies and procedures must be in place within each practice to prevent and detect patient identity theft from within the practice.
- Such policies and procedures must be adopted by the practice ownership.
- Policy and procedures need to be annually reviewed and documented as such.
- Enforcement will be by the Federal Trade Commission-FTC
- *As of May 1, 2009 compliance deadline extended to August 1, 2009.

Medicare as a Second Language

CMS Provider Enrollment Issues PECOS / Deadlines / Retroactive Enrollment

- **PECOS** – Provider Enrollment Chain and Ownership System - **PECOS**
- **Online** access to PECOS groups / individuals
- **Enrollment Timelines**
- **Retroactive enrollment** *< 30 days only*

Medicare as a Second Language

Additional Assistance

BCS, Incorporated

Lee S. Broadston

President, CEO

Waconia, MN

888.278.4124

Handouts For Today's Session at

Lee@BCSConsult.com

BCSConsult.com

Medicare as a Second Language

More Practice Information?

The Business of Today's Anesthesia Practice

15 CEUs

Sponsored by CANA and presented by
BCS, Incorporated

San Francisco, CA

November 6-8, 2009