

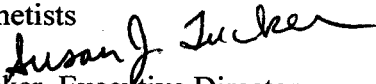
**Maryland Department of Health and Mental Hygiene**

201 W. Preston Street • Baltimore, Maryland 21201

Robert L. Ehrlich, Jr., Governor – Michael S. Steele, Lt. Governor – Nelson J. Sabatini, Secretary

**Maryland Medical Assistance Program
Managed Care Organization Transmittal No. 57
Physicians Transmittal No. 128
Nurse Anesthetists Transmittal No. 8****August 6, 2004**

TO: Managed Care Organizations
Physicians
Nurse Anesthetists

FROM: 
Susan J. Tucker, Executive Director
Office of Health Services

NOTE: Please ensure that appropriate staff members in your organization are informed of the contents of this transmittal.

RE: Billing for Anesthesia Services for Dates of Service on or after 12/1/03

Since implementing a new reimbursement methodology for fee-for-service anesthesia services on December 1, 2003, a few policy changes have been made that were not described in the billing instructions for the 2003 Revision to the Physicians' Services Provider Fee Manual.

1. There were 3 new anesthesia CPT codes added for 2004. The changes were effective January 1, 2004.

<u>Proc</u>	<u>Fee</u>	<u>Base/Time Units</u>	<u>U1 Conversion Factor</u>
00529	0.23	165	5.16
01173	0.31	180	3.83
01958	0.22	75	5.39

2. Reimbursement for anesthesia services is based upon the following formula.

$$[\text{Time Units (Minutes)} + (\text{Base Units} \times 15 \text{ Minutes})] \times \text{Procedure Fee} \times \text{Modifier} \%$$

% = Payment.



3. The units of service reported in Block 24G of the CMS-1500 for anesthesia services should be the total number of minutes of anesthesia time, except for, procedures 01995 and 01996 which are not based upon time and can only be billed for 1 unit of service.
4. A programming change was made to pay a minimum payment of \$30 for anesthesia procedures with modifiers -AA and -QZ and a minimum of \$15 for modifiers -QK, - QX and -QY if the calculated fee was less than \$30 or \$15, respectively. Providers can appeal for additional payment for the difference between the limiting amount and the payment made below the limiting amount.
5. The only allowable time which can be billed for neuraxial labor analgesia/anesthesia for a planned vaginal delivery (01967) is the time during which the provider is physically present with the patient.

If you have any questions about this transmittal please call the Division of Hospital and Physician Services at (410) 767-1722.