American Society of Anesthesiologists®

Timely Topics
PAYMENT AND PRACTICE MANAGEMENT

November 2015

Anesthesia Services and the OIG Work Plan

Each year, the Department of Health and Human Services (HHS) Office of Inspector General (OIG) publishes a summary of the issues it plans to review as part of its work to identify and prevent waste and fraud in the Medicare and Medicaid programs. The 2016 Work Plan was recently released and it includes two items specific to anesthesia.

The OIG first announced its intent to review payment for personally performed anesthesia services in its 2013 Work Plan. This is still an active review. The 2016 Work Plan states,

> *Anesthesia services—payments for personally performed services*
> *We will review Medicare Part B claims for personally performed anesthesia services to determine whether they were supported in accordance with Medicare requirements. We will also determine whether Medicare payments for anesthesia services reported on a claim with the "AA" service code modifier met Medicare requirements. Physicians report the appropriate anesthesia modifier code to denote whether the service was personally performed or medically directed. (CMS, Medicare Claims Processing Manual, Pub. No. 100-04, Ch. 12, § 50.) Reporting an incorrect service code modifier on the claim as if services were personally performed by an anesthesiologist when they were not will result in Medicare's paying a higher amount. The service code "AA" modifier is used for anesthesia services personally performed by an anesthesiologist, whereas the "QK" modifier limits payment to 50 percent of the Medicare-allowed amount for personally performed services claimed with the "AA" modifier. Payments to any service provider are precluded unless the provider has furnished the information necessary to determine the amounts due. (Social Security Act, §1833(e).) (OAS; W-00-13-35706; W-00-14-35706; W-00-15-35706; various reviews; expected issue date: FY 2016)*

The 2016 edition of the OIG Work Plan also includes a new anesthesia- related item. The OIG announces its plans to review claims data to confirm that a beneficiary who received anesthesia care also underwent a related service. The Work Plan describes this as follows,

> *NEW Anesthesia services–non-covered Services*
> *We will review Medicare Part B claims for anesthesia services to determine whether they were supported in accordance with Medicare requirements. Specifically, we will review anesthesia services to determine whether the*

beneficiary had a related Medicare service. Medicare will not pay for items or services that are not "reasonable and necessary." (Social Security Act, §1862(a)(1)(A)) (OAS; W-00-15-35749; expected issue date: FY 2016)

The complete 2016 OIG Work Plan is available at http://www.oig.hhs.gov/reports-and-publications/archives/workplan/2016/oig-work-plan-2016.pdf

Issuance of the OIG Work Plan is a strong reminder that compliance in coding and billing will always be critically important. Anesthesia practices should conduct periodic reviews to ensure that their coding and billing functions are conducted in a manner that is consistent with applicable rules. This review should also confirm that there is appropriate documentation to support the claims filed to receive payment for services. Any areas of concern should be promptly addressed.