American Society of Anesthesiologists®

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Payment and Practice Management Memo
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Anesthesiologist Assistants and the QZ Modifier

When providing anesthesia services, anesthesiologist assistants (AAs) must work with anesthesiologist oversight – as specified under the laws of the state where the anesthesiologist and AA practice. Instances in which the required elements to bill a case as medically directed are not met for a case involving an anesthesiologist assistant should be uncommon. If such a circumstance were to happen, it is important to review applicable state law to determine whether the case met the state specific requirements. Upon confirmation that the care was rendered in compliance with such applicable law, it can be reported as a medically supervised case. Via Transmittal 2716, the Centers for Medicare and Medicaid Services (CMS) recently updated the language it uses in its Claims Processing Manual replacing references to CRNAs and to AAs with the term "qualified nonphysician anesthetist" since in most billing circumstances the rules for anesthesiologist assistants and nurse anesthetists are the same; the core distinction is whether the anesthesia professional is a physician or a nonphysician. One exception is that the QZ modifier is specific to nurse anesthetists. This is not a change and is reflective of previous text in the CMS Claims Processing Manual.

The CMS Claims Processing Manual lists the services an anesthesiologist must perform – and document- in order to report a case as medically directed in Chapter 12, Section 50C:

> *Medical direction occurs if the physician medically directs qualified individuals in two, three, or four concurrent cases and the physician performs the following activities.*
>
> - *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;*
> - *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; and*
> - *Provides indicated-post-anesthesia care.*

The manual further states:

> *If anesthesiologists are in a group practice, one physician member may provide the pre-anesthesia examination and evaluation while another fulfills the other criteria. Similarly, one physician member of the group may provide post-anesthesia care while another member of the group furnishes the other component parts of the anesthesia service. However, the medical record must indicate that the services were furnished by physicians and identify the physicians who furnished them.*
>
> *A physician who is concurrently directing the administration of anesthesia to not more than four surgical patients cannot ordinarily be involved in furnishing additional services to other patients. However, addressing an emergency of short duration in the immediate area, administering an epidural or caudal anesthetic to ease labor pain, or periodic, rather than continuous, monitoring of an obstetrical patient does*

not substantially diminish the scope of control exercised by the physician in directing the administration of anesthesia to surgical patients. It does not constitute a separate service for the purpose of determining whether the medical direction criteria are met. Further, while directing concurrent anesthesia procedures, a physician may receive patients entering the operating suite for the next surgery, check or discharge patients in the recovery room, or handle scheduling matters without affecting fee schedule payment.

However, if the physician leaves the immediate area of the operating suite for other than short durations or devotes extensive time to an emergency case or is otherwise not available to respond to the immediate needs of the surgical patients, the physician's services to the surgical patients are supervisory in nature. Carriers may not make payment under the fee schedule.

Medical supervision occurs if the anesthesiologist does not fulfill all the criteria required for medical direction or if the number of concurrent cases exceeds the four case limit. We understand that some payers will allow instances of incomplete medical direction to be reported with one claim from a nurse anesthetist with the QZ modifier. ASA has expressed concerns about potential misuse of the QZ modifier for nurse anesthetists' services. These are discussed in the June 2011 ASA *NEWSLETTER*.

Relevant modifiers to report anesthesia services are as follows:

Modifier	Description	Payment
AA	Anesthesia Services performed personally by the anesthesiologist	100% of the allowed amount to the physician anesthesiologist
AD	Medical Supervision by a physician; more than 4 concurrent anesthesia procedures	The Part B Contractor may allow only three base units per procedure when the anesthesiologist is involved in furnishing more than four procedures concurrently or is performing other services while directing the concurrent procedures. An additional time unit may be recognized if the physician can document he or she was present at induction.
QK	Medical direction of two, three or four concurrent anesthesia procedures involving qualified individuals	The allowed amount is evenly split between the physician anesthesiologist and the qualified nonphysician anesthetist(s)
QX	Qualified nonphysician anesthetist with medical direction by a physician	The allowed amount is evenly split between the physician anesthesiologist and the qualified nonphysician anesthetist
QY	Medical direction of one qualified nonphysician anesthetist by an anesthesiologist	The allowed amount is evenly split between the physician anesthesiologist and the qualified nonphysician anesthetist
QZ	CRNA without medical direction by a physician	The nurse anesthetist receives 100% of the allowed amount