

**Payment Policies for Healthcare Services
Provided to Injured Workers and Crime Victims**

Chapter 4: Anesthesia Services

Effective July 1, 2024



Link: Look for possible [updates and corrections](#) to these payment policies on L&I's website.



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Modifiers

The following CPT®, HCPCS, and/or local code modifiers appear in this chapter:

Use	Payment Information
-25 (Significant, separately identifiable evaluation and management (E/M) service by the same provider on the same day of the procedure or other service.)	
<p>Use this modifier to indicate a significant, separately identifiable E/M service that went above and beyond another service provided by the same provider, for the same patient, on the same date of service.</p> <p>Note: This modifier should only be used with E/M services.</p>	<p>This modifier allows payment for the significant, separately identifiable E/M service.</p> <p>Payment is made at a maximum of 100% of the fee schedule level or billed charge, whichever is less.</p>
-47 (Anesthesia by surgeon)	
<p>Use this modifier with surgery CPT® codes to indicate when regional or general anesthesia was administered directly by the surgeon.</p> <p>Note: This modifier shouldn't be used with anesthesia CPT® codes or for services with local anesthesia.</p>	<p>The insurer won't pay separately for the anesthesia when this modifier is used.</p> <p>When the same physician performs anesthesia and surgery, the anesthesia is considered inclusive with the surgery.</p>
-99 (Multiple modifiers)	
<p>Use this modifier to indicate when more than 2 modifiers affect payment.</p> <p>For billing purposes only, include only this modifier with the service(s) performed on the billing form, along with any modifiers not affecting payment. In the remarks section of the billing form, include the individual descriptive modifiers that affect payment.</p>	<p>This modifier doesn't affect payment but is necessary to accommodate all modifiers billed.</p> <p>Payment is based on the policy associated with each individual modifier that describes the actual services performed.</p>
-AA (Anesthesia services performed personally by anesthesiologist)	
<p>Use this modifier to indicate when anesthesia services were performed personally by the anesthesiologist.</p>	<p>This modifier doesn't affect payment but is necessary to describe the service.</p>

Use	Payment Information
-QK (Medical direction of 2, 3, or 4 concurrent anesthesia procedures involving qualified individuals)	
Use this modifier to indicate when a physician has provided medical direction of 2, 3 or 4 concurrent anesthesia procedures involving qualified individuals. Note: This modifier is for physician use only.	See Team care payment policy for payment information.
-QX (CRNA service: with medical direction by a physician)	
Use this modifier to indicate when a Certified Registered Nurse Anesthetist (CRNA) provides anesthesia services with medical direction by a physician.	See Team care payment policy for payment information.
-QY (Medical direction of 1 certified registered nurse anesthetist (CRNA) by an anesthesiologist)	
Use this modifier to indicate when a physician has provided medical direction of 1 Certified Registered Nurse Anesthetist (CRNA) for a single anesthesia procedure. Note: This modifier is for physician use only.	See Team care payment policy for payment information.
-QZ (CRNA service: without medical direction by a physician)	
Use this modifier to indicate when a Certified Registered Nurse Anesthetist (CRNA) has provided anesthesia services without medical direction by a physician.	Payment is made at 100% of the fee schedule level or billed amount, whichever is less.



Note: Many factors contribute to the resulting allowed amount. Therefore, there may be other factors aside from modifier usage that reduce or affect payment. Refer to the applicable payment policies and fee schedules for the service(s) being provided for more information.



Payment policy: All anesthesia services

Who must perform these services to qualify for payment

Payment for anesthesia services will only be made to:

- Anesthesiologists, *and*
- Certified registered nurse anesthetists (CRNA).

Services that can be billed

Most anesthesia services are paid with base and time units. These services should be billed with CPT® anesthesia codes **00100** through **01999** and the appropriate anesthesia modifier.

Some selected services are paid using the RBRVS method.

For information on **base and time units** and **RBRVS** methods for anesthesia services, see other payment policy sections of this chapter.

Services that aren't covered

Anesthesia isn't payable for procedures that aren't covered.

The insurer doesn't cover anesthesia assistant services.

Payment for CPT® codes **99100**, **99116**, **99135**, and **99140** is considered bundled and isn't payable separately.

CPT® physical status modifiers (**-P1** to **-P6**) and CPT® 5-digit modifiers aren't accepted.

Requirements for billing

Anesthesia add-on codes

Anesthesia add-on codes must be billed with a primary anesthesia code. There are 3 anesthesia add-on CPT® codes: **01953**, **01968**, and **01969**:

- Add-on code **01953** should be billed with primary code **01952**,
- Add-on codes **01968** and **01969** should be billed with primary code **01967**,
- Add-on codes **01968** and **01969** should be billed in the same manner as other anesthesia codes paid with base and time units.



Note: Providers should report the total time for the add-on procedure (in minutes) in the Units column (Field 24G) of the **CMS 1500** form ([F245-127-000](#)).

Anesthesia for burn excisions or debridement (CPT® add-on code 01953)

The anesthesia add-on code for burn excision or debridement must be billed as follows:

If the total body surface area is...	Then the primary code to bill is:	And the units to bill of add-on code 01953 is:
Less than 4 percent	01951	None
4 - 9 percent	01952	None
Up to 18 percent	01952	1
Up to 27 percent	01952	2
Up to 36 percent	01952	3
Up to 45 percent	01952	4
Up to 54 percent	01952	5
Up to 63 percent	01952	6
Up to 72 percent	01952	7
Up to 81 percent	01952	8
Up to 90 percent	01952	9
Up to 99 percent	01952	10

Anesthesia base units

List only the time in minutes on your bill. Don't include the base units (L&I's payment system automatically adds the base units).



Link: The anesthesia codes, base units, and base sources are listed in the [Professional Services Fee Schedule](#).

Anesthesia time

Anesthesia must be billed in 1-minute time units. Anesthesia time:

- **Begins** when the anesthesiologist or CRNA starts to physically prepare the patient for the induction of anesthesia in the operating room area (or its equivalent), and
- **Ends** when the anesthesiologist or CRNA is no longer in constant attendance (when the patient can be safely placed under postoperative supervision).

Anesthesia billing code modifiers for anesthesia paid with base and time units

When billing for anesthesia services paid with base and time units, anesthesiologists and CRNAs should use the CPT® or HCPCS modifiers in the following table. For complete modifier descriptions and instructions, refer to a current CPT® or HCPCS book.

Except for modifier **-99**, the modifiers listed in the following table aren't valid for anesthesia services paid by the RBRVS method.

For use by:	CPT® or HCPCS code modifier	Brief description	Notes
Anesthesiologists and CRNAs	-99	Multiple modifiers	Use this modifier when 5 or more modifiers are required. Enter -99 in the modifier column on the bill. List individual descriptive modifiers elsewhere on the billing document.
Anesthesiologists	-AA	Anesthesia services performed personally by anesthesiologist	—
	-QK	Medical direction of 2, 3, or 4 concurrent anesthesia procedures involving qualified individual	Payment based on policies for team services (see Team care payment policy at the end of this chapter).
	-QY	Medical direction of 1 CRNA for a single anesthesia procedure	Payment based on policies for team services (see Team care payment policy at the end of this chapter).
CRNAs(1)	-QX	CRNA service: with medical direction by a physician	Payment based on policies for team services (see Team care payment policy at the end of this chapter).
	-QZ	CRNA service: without medical direction by a physician(1)	Maximum payment is 100% of the maximum allowed for physician services.

Payment limits

Payment for local, regional or digital block, or general anesthesia administered by the surgeon is included in the RBRVS payment for the procedure.

Patient acuity doesn't affect payment levels.

Services billed with modifier **-47** (anesthesia by surgeon) are considered bundled and aren't payable separately.

Services billed with CPT® 5-digit modifiers and physical status modifiers (**-P1** through **-P6**) aren't paid.



Links: For licensed nursing rules, see [WAC 296-23-240](#).

For licensed nursing billing instructions, see [WAC 296-23-245](#).

For detailed billing instructions, including examples of how to submit bills, refer to L&I's [General Provider Billing Manual \(F245-432-000\)](#).

CRNA payment limits

CRNA services shouldn't be reported on the same CMS-1500 form used to report anesthesiologist services.

Bills from CRNAs that don't contain a modifier are paid based on payment policies for team services (see Team care payment policy at the end of this chapter).



Payment policy: Base and time units payment method for anesthesia

How to calculate anesthesia payment paid with base and time units

Providers are paid the lesser of their charged amount or L&I's maximum allowed amount.

For services provided on or after July 1, 2024 the anesthesia conversion factor is **\$58.35** per 15 minutes (**\$3.89** per minute).

The maximum payment for anesthesia services paid with base and time units is calculated using the:

- Base value for the procedure, *and*
- Time the anesthesia service is administered, *and*
- L&I anesthesia conversion factor.

To determine the maximum payment for physician services:

1. Multiply the base units listed in the fee schedule by 15, *then*
2. Add the value from step 1 to the total number of whole minutes, *then*
3. Multiply the result from step 2 by **\$3.89**.

Example

CPT® code **01382** (anesthesia for knee arthroscopy) has 3 anesthesia base units. If the anesthesia service takes 60 minutes, the maximum physician payment would be calculated as follows:

1. 3 base units x 15 = 45 base units,
2. 45 base units + 60 time units (minutes) = 105 base and time units,
3. Maximum payment for physicians = 105 x **\$3.89** = **\$408.45**.



Link: The anesthesia conversion factor is published in [WAC 296-20-135](#).



Payment policy: RBRVS payment method for anesthesia

Which services are paid using the RBRVS method

Some services commonly performed by anesthesiologists and CRNAs are paid using the Resource-Based Relative Value Scale (RBRVS) payment method, including:

- Anesthesia evaluation and management services, *and*
- Most pain management services, *and*
- Other selected services.

Injection code treatment limits

If the injection type is...	Then the treatment limit is:
Epidural and caudal injections of substances other than anesthetic or contrast solution	<p>Limited to 2 injections, same side, per date of service</p> <p>Limited to 3 injections per 6 months; 3rd requires documented improvement</p> <p>Limited to 4 injections per 365 day-period</p>
Facet injections	Not covered , except in preparation for facet neurotomy. Limited to 2 joint levels bilaterally, or 3 unilaterally per day of service.
Intramuscular injections of steroids and other nonscheduled medications.	Maximum of 6 injections per patient are allowed.
Dry needling and/or trigger point injections	Maximum of 6 treatments per patient.

Dry needling is considered a variant of trigger point injections. It is a technique where needles are inserted directly into trigger point locations without medications injected. Dry needling follows the same rules as trigger point injections in [WAC 296-20-03001\(7\)\(d\)](#).



Links: For information on billing for medications, see: [Chapter 16: Medication Administration and Injections](#).

See [L&I's coverage decision](#) regarding dry needling for more details.

Requirements for billing

Dry needling of trigger points is billed using CPT® codes **20560** or **20561**.

The office notes or report must document the objective and subjective findings used to determine the need for the procedure and any future treatment plan or course of action.

When billing for services paid with the RBRVS method, enter the total number of times the procedure is performed in the Units column (Field 24G on the [CMS-1500 form](#)).

When using modifiers:

- Anesthesia modifiers **-AA**, **-QK**, **-QX**, **-QY**, and **-QZ** aren't valid for services paid by the RBRVS method.

For a complete list of modifiers and descriptions, see a current CPT® or HCPCS book.

An E/M service is payable on the same day as a pain management procedure only when:

- The E/M service is clearly separate and identifiable from the pain management procedure performed on the same day, and meets the criteria for an E/M service appending modifier **-25**.

The use of E/M codes on days after the procedure is performed is subject to the global surgery policy.



Links: For more information, see the Global surgery payment policy section of [Chapter 29: Surgery Services](#).

For more information on using modifier **-25**, see the All E/M services payment policy section of [Chapter 10: Evaluation and Management \(E/M\) Services](#).

Maximum fees for services paid by the RBRVS method are located in the [Professional Services Fee Schedule](#).

Payment limits

Anesthesia teaching physicians

Teaching physicians may be paid at the personally performed rate when the physician is involved in the training of physician residents in:

- A single anesthesia case, *or*
- 2 concurrent anesthesia cases involving residents, *or*
- A single anesthesia case involving a resident that is concurrent to another case paid under the medical direction rules.



Payment policy: Team care (Medical direction of anesthesia)

Requirements for medical direction of anesthesia

Physicians directing qualified individuals performing anesthesia must:

- Perform a pre-anesthetic examination and evaluation, *and*
- Prescribe the anesthesia plan, *and*
- Participate in the most demanding aspects of the anesthesia plan, including, if applicable, induction and emergence, *and*
- Make sure any procedures in the anesthesia plan that he/she doesn't perform are performed by a qualified individual as defined in program operating instructions, *and*
- Monitor the course of anesthesia administration at frequent intervals, *and*
- Remain physically present and available for immediate diagnosis and treatment of emergencies, *and*
- Provide indicated post anesthesia care.

In addition, physicians directing anesthesia:

- May direct no more than 4 anesthesia services concurrently, *and*
- May not perform any other services while directing the single or concurrent services.

The physician may attend to medical emergencies and perform other limited services as allowed by Medicare instructions and still be deemed to have medically directed anesthesia procedures.

Documentation requirements for team care

The physician must document in the patient's medical record that the medical direction requirements were met.

Requirements for billing

When billing for team care situations:

- Anesthesiologists and CRNAs must report their services on separate [CMS-1500](#) forms using their own provider account numbers,
- Anesthesiologists must use the appropriate modifier for medical direction or supervision (**-QK** or **-QY**),
- CRNAs should use modifier **-QX**.

How to calculate payment for team care

To determine the maximum payment for team care services:

- Calculate the maximum payment for solo physician services (see the How to calculate anesthesia payment paid with base and time units in the payment policy for Base and time units payment method for anesthesia section of this chapter),
- The maximum payment to the physician is 50% of the maximum payment for solo physician services,
- The maximum payment to the CRNA is 50% of the maximum payment for solo physician services.

Additional information: How team care policies are established

L&I follows CMS's policy for team care (medical direction of anesthesia).



Links to related topics

If you're looking for more information about...	Then see...
Administrative rules for acupuncture services non-coverage	Washington Administrative Code (WAC) 296-20-03002(2)
Administrative rules for anesthesia	WAC 296-20
Administrative rules for licensed nursing	WAC 296-23-240
Administrative rules for licensed nursing billing instructions	WAC 296-23-245
Administrative rules for treatment guidelines for injections	WAC 296-20-03001(7)
Anesthesia conversion factor	WAC 296-20-135
Becoming an L&I provider	Become A Provider on L&I's website
Billing instructions and forms	Chapter 2: Information for All Providers
Coverage decisions for spinal injections	Spinal injections coverage decision
Payment policies for billing for medications	Chapter 16: Medication Administration and Injections
Payment policies for global surgery	Chapter 29: Surgery Services
Payment policies for using billing code modifier -25	Chapter 10: Evaluation and Management (E/M) Services
Professional Services Fee Schedules	Fee schedules on L&I's website

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