

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services



The revised fact sheet titled "Acute Care Hospital Inpatient Prospective Payment System" (November 2010), which provides information about the basis for Acute Care Hospital Inpatient Prospective Payment System payment, payment rates, and how payment rates are set, is now available in print format from the Medicare Learning Network®. To place your order, visit <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/index.html>, scroll down to "Related Links Inside CMS", and select "MLN Product Ordering Page".

MLN Matters® Number: MM7207

Related Change Request (CR) #: 7207

Related CR Release Date: January 21, 2011

Effective Date: July 1, 2007

Related CR Transmittal #: R2137CP

Implementation Date: July 5, 2011

Certified Registered Nurse Anesthetist (CRNA) Services in a Method II Critical Access Hospital (CAH) Without a CRNA Pass-Through Exemption

Note: MM7207 was revised on July 6, 2013, to add a reference to MLN Matters® article MM7896 available at <http://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnmattersarticles/downloads/MM7896.pdf>, to inform you that effective January 1, 2013, in addition to anesthesia services, qualifying CAHs and rural hospitals can receive CRNA pass-through payment for services the CRNA is legally authorized to perform in the state where the services are furnished. All other information remains the same.

Provider Types Affected

This article is for Method II Critical Access Hospitals (CAHs) submitting claims to Medicare contractors (Fiscal Intermediaries (FIs), and/or A/B Medicare Administrative Contractors (A/B MACs)) for anesthesia services provided to Medicare beneficiaries.

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Provider Action Needed

This article is based on Change Request (CR) 7207, which clarifies the payment calculation for CRNA services in a Method II CAH without a CRNA pass-through exemption.

Background

The Social Security Act (Section 1833(1)(H); see http://www.ssa.gov/OP_Home/ssact/title18/1833.htm on the Internet) states that the amounts paid for CRNAs will be 80 percent of the least of the actual charge or fee schedule amount. In addition, The Social Security Act (Section 1834(g)(2)(B); see http://www.ssa.gov/OP_Home/ssact/title18/1834.htm on the Internet) states that professional services included within outpatient CAH services, will be paid 115 percent of such amounts as would otherwise be paid under this part if such services were not included in the outpatient CAH services.

Note: Services furnished by a CRNA are subject to the Part B deductible and coinsurance.

CRNAs rendering services in a Method II CAH have the option of reassigning their billing rights to the CAH. When the billing rights are reassigned to the Method II CAH, payment is made to the CAH for anesthesia services submitted on type of bill 85X with revenue code 964 (anesthesiologist (CRNA)).

Payment is currently being calculated for **non-medically directed** CRNA services in a Method II CAH **without** a CRNA pass-through exemption based on a 20 percent reduction of the fee schedule amount before deductible and coinsurance are calculated, and Change Request (CR) 7207 clarifies the payment calculation for these services.

CR7207 instructs that (for dates of service on or after July 1, 2007, Medicare contractors will pay for CRNA anesthesia services (Current Procedural Terminology (CPT) codes 00100 through 01999) submitted by a Method II CAH (**without a CRNA pass-through exemption**) on Type of Bill 85X with revenue code 964 and modifier QZ (CRNA service without medical direction by a physician) based on the lesser of the actual charges or the fee schedule amount as follows:

(Sum of base units plus time [anesthesia time divided by 15]) **times** conversion factor **minus** (deductible and coinsurance) **times** 1.15.

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Additional Information

The official instruction, CR7207, issued to your FI or A/B MAC regarding this change may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R2137CP.pdf> on the CMS website.

If you have any questions, please contact your FI or A/B MAC at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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