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Medical direction versus Medical Supervision

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Commonly, the terms "medical direction" and "medical supervision" are used interchangeably when referring to an anesthesiologist working within the Anesthesia Care Team model. However, according to the Centers for Medicare and Medicaid Services (CMS) there are important distinctions between "medical direction" and "medical supervision". When entering into practice, it is important that you are complaint with billing requirements and understand the difference between these terms.

According to CMS, medical direction is reported by appending specific anesthesia billing modifiers to the anesthesia code. These modifiers include:

a. QK – Medical direction of two, three or four concurrent anesthesia procedures involving qualified individuals
b. QY – Medical direction of one certified registered nurse anesthetist (CRNA) by an anesthesiologist

These modifiers are reported by the medically directing anesthesiologist. The medically directed qualified individuals report their services with a different set of modifiers. Note that a CRNA or certified anesthesiologist assistant (CAA) is considered a qualified individual. As stated in its Claims Processing Manual, CMS clarifies that " medical direction rules apply to cases involving student nurse anesthetists if the physician directs two concurrent cases, each of which involves a student nurse anesthetist or if the physician directs one case involving a student nurse anesthetist and another involving a CRNA, AA or resident."

In order to bill for medical direction, the physician anesthesiologist must perform and document the following activities:

a) Perform a pre-anesthetic examination and evaluation
b) Prescribe the anesthesia plan
c) Personally participate in the most demanding procedures in the anesthesia plan, including induction and emergence, if applicable
d) Ensure that any procedures in the anesthesia plan that he/she does not perform are perform by a qualified anesthetist
e) Monitor the course of the anesthesia administration at frequent intervals

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f) Remain physically present and available for immediate diagnosis and treatment of emergencies
g) Provide indicated post-anesthesia care

If a physician anesthesiologist is concurrently providing medical direction, he/she cannot provide additional services to other patients. However, CMS does provide a list of services that may be performed while medically directing:

1. Address an emergency of short duration in the immediate area
2. Administer an epidural or caudal anesthetic to ease labor pain
3. Provide periodic, rather than continuous, monitoring of an obstetrical patient
4. Receive patients entering the operating suite for the next surgery
5. Check or discharge patients in the recovery room
6. Handle scheduling matters

Further, medical direction is limited to no more than four concurrent cases. When counting concurrency, ALL cases count – not just the ones in which the patient is a Medicare beneficiary. The services of a physician anesthesiologist who provides medical supervision when currency exceeds four cases are reported by appending modifier AD to the reported anesthesia code:

AD – Medical Supervision by a physician; more than 4 concurrent anesthesia procedures

An important distinction is that, per Medicare guidelines, the AD modifier pays a maximum of four units (three units plus one additional unit if the anesthesiologist is present for induction). Medicaid and private payer policies may vary. This is in contrast to how Medicare pays for the QK and QY modifiers. Medicare pays 100% of the allowed amount for medically directed cases with 50% of the payment issued to the physician anesthesiologist and the other 50% to the CRNA or AA. Another important point to keep in mind is a CAA must work under medical direction; medical supervision is not applicable to CAAs. .

As a resident, no claims are submitted for the services you perform. That will change once you graduate so you should take the time to become familiar with coding/billing basics.

Reference:
https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c12.pdf

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