Objectives

1. Describe the different employment options for nurse anesthetist

2. Describe the impact that reimbursement issues; coding, billing, and collections have on nurse anesthesia practice.

3. Discuss the importance of understanding corporate culture and identify behaviors to work successfully as a "guest" in a new environment.

4. Recognize the critical nature of compliance with Medicare regulations.

5. Identify legal issues that are relevant to the business of nurse anesthesia.

Lessons in Business

- Find a mentor and utilize their experience as a guide...Thank you, Darla Adams and Lori Bazey!
- Develop solid relationships before you need them and be careful to not "burn bridges".
- Do not mistake a business relationship for a personal relationship.
- Don't place your business success in the hands of a single source.

Lessons continued...

- Get it in writing. Every time. In every situation. Contracts protect both parties involved and let you know what the expectations are.
- Set a workable budget and follow it. This allows you to track growth and plateaus alike.
- Know that when you own a business, sometimes you are paid in cash and sometimes you are paid in experience!

Business of Anesthesia

- Approximately 80% of all practicing CRNAs work for someone else.
- Of the other 20%, only ~5% are in true private practice.
- When we talk about business value, we are talking about money. Money is not everything, but without it very few of us would be willing to practice.
Based on the 2008 AANA Practice Profile Survey, the Mean Total Income for a full time CRNA is $152,819.

- Add 20% for benefits plus cost of vacation coverage and the total cost to employ a CRNA is around $200,000.
- We are reimbursed well for our services and it is our responsibility to give 110% in return.

Hmmm... decisions, decisions...

- Hospital employee
- Group employee
- Self employed/ Independent Contractor
- Beauty of anesthesia is that at different points in our career we are be able to try different options

Utilize experts

- Legal aspects
- Accounting
- Practice/ State Regulations
- Billing
- Recruiting/Placement Agency

Employee vs Independent Contractor

- Control (schedule, actions, liability)
- Other considerations
  - Employee benefit programs
  - Worker’s Compensation
  - Self Employment Tax
  - FICA (Social Security and Medicare Tax)
- IC usually reimbursed at higher rate to compensate for difference, but must plan accordingly and work the numbers to be certain

Reimbursement? Why should it matter to me?

- Understand Your Value
- Revenue Enhancement and Projection
- Prepare Yourself For Effective Negotiations
- Cost Does Not Equal Value
Negotiation

- Decide What You Must Have
- Ask For Things You Would Like
- Know The Current "Going Rate"
- Keep It Professional and Be Reasonable
- Demonstrate Value
- Never Apologize While Negotiating

Charge: the price the provider charges for services.

Allowable Charge: total amount a participating provider can actually collect from the payer, the patient, or both.

Adjustment: the discount from the actual charge. Usually based on contractual agreements.

Payment: the amount you actually collect from all sources.

Billing

- It is important to understand professional billing
  - Ex: Do you record anesthesia time in actual minutes or do you round to “5” minute increments? (Medicare requires “exact times”, overcharging, and Flag for audit)
  - Complete and accurate anesthesia record is imperative
  - Understanding the business of anesthesia will maximize the return on the investment in you, either for yourself or for your employer

Process for Professional Service Payment

- Charge
  - Allowable Charge
  - Adjustment
  - Payment!

Coding?

Doesn’t someone else do that?

- Often, but not always.
- Some practitioners are responsible to code their own cases while many larger facilities have someone specifically hired to code.
- Accurate coding leads to more efficient and improved reimbursement.

Medical Direction vs Medical Supervision

- Medical Direction
  - 7 TEFRA conditions must be met
  - Paid at 50% to MDA and 50% to CRNA
  - Up to 4 concurrent cases involving residents and CRNAs
  - Up to 2 concurrent cases involving student CRNAs
Medical Direction vs Medical Supervision

- Medical Supervision
  - MDA 3 base units + 1 additional unit if present at induction
  - MDA is involved in more than 4 concurrent cases
  - MDA was gone for an extended period of time
  - Items 3 and 7 of TEFRA do not apply
  - CRNA still gets 50%

Medicare/ Medicaid require concurrency modifiers

- AA - Physician personally performed
- QY - Medical direction of one CRNA by an anesthesiologist
- QK - Medical direction of two, three, or four concurrent anesthesia procedures involving qualified individuals
- AD - Medically supervised by a physician for more than four concurrent procedures
- QX - CRNA with medical direction by a physician
- QZ - CRNA without medical direction by a physician
- QS - Monitored anesthesia care services (can be billed by a CRNA or a physician)

TEFRA

- Tax Equity and Fiscal Responsibility Act of 1982
- Created by HCFA to regulate payments to MDAs on Medicare patients to be paid for medically directing CRNAs
- Goal: Prevent billing fraud... not to dictate standard of care

How are anesthesia services paid?

- Base value
  +
- Time units
  +
- Physical status modifier
  +
- Any qualifying circumstances
  +
- Any additional modifiers for unusual procedures or services

Included in Base Value

- Preoperative and post-operative visits
- Administration of anesthetic
- Peripheral IV lines, administration of fluids and/or blood products incident to the procedure
- Interpretation of non-invasive monitoring (e.g., ECG, temperature, B/P, pulse ox, capnography, and mass spectrometry)
- Transportation, prepping, positioning, draping
- Laryngoscopy for placement of airway
- Placement of nasogastric tube
- Interpretation of laboratory reports
- Nerve stimulation

TEFRA

- Perform a pre-anesthetic examination and evaluation
- Prescribe the anesthesia plan
- Participate personally in the most demanding procedures in the plan including induction and emergence
- Ensure that the anesthetist performs the anesthesia plan
- Monitor the course of the administration at intervals
- Remain in the operating suite for the entirety and available to return if needed
- Provide indicated post-anesthesia care
Anesthesia Time Units

- When anesthesia codes 00100-01996 (based on location of surgery) are used, time is the unit of service
  - Minutes – not 15 minute blocks
  - Important to collect minutes as various insurers define “Block” differently
  - Time involves continuous presence of anesthesia personnel
- Begins when the anesthesia personnel begin to ready the patient for anesthesia
- Ends when anesthesia personnel release the patient post anesthesia to recovery room personnel
- Unless there is an interruption

Anesthesia modifiers

- G8 – Monitored anesthesia care (MAC) for deep complex, complicated, or markedly invasive surgical procedure
- G9 – Monitored anesthesia care (MAC) for patient who has history of severe cardiopulmonary condition

Physical status anesthesia modifiers

<table>
<thead>
<tr>
<th>Physical Status</th>
<th>Unit Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1 – Normal healthy patient</td>
<td>0</td>
</tr>
<tr>
<td>P2 – Pt w/mild systemic disease</td>
<td>0</td>
</tr>
<tr>
<td>P3 – Pt w/severe systemic disease</td>
<td>1</td>
</tr>
<tr>
<td>P4 – Pt w/severe systemic disease that is a constant threat to life</td>
<td>2</td>
</tr>
<tr>
<td>P5 – Moribund pt not expected to survive w/o operation</td>
<td>3</td>
</tr>
<tr>
<td>P6 – Declared brain-dead pt whose organs are being removed for donation</td>
<td>0</td>
</tr>
</tbody>
</table>

Additional modifiers

- If the surgeon requested (in writing) a block for post-anesthesia pain control, code it
- If the anesthesia provider did other codable procedure (e.g., special invasive monitoring, Swan Ganz), code it

Qualifying Circumstances

Bill as many as apply for extraordinary conditions, unusual risk factors or notable conditions in addition to the procedure code

<table>
<thead>
<tr>
<th>Qualifying Circumstance</th>
<th>Unit Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>99000 - Anesthesia for patient of extreme age, under one year and over 70</td>
<td>1</td>
</tr>
<tr>
<td>99266 - Anesthesia complicated by utilization of total body hypothermia</td>
<td>5</td>
</tr>
<tr>
<td>99275 - Anesthesia complicated by utilization of controlled hypotension</td>
<td>5</td>
</tr>
<tr>
<td>99240 - Anesthesia complicated by emergency conditions (specify)</td>
<td>2</td>
</tr>
</tbody>
</table>

Tips for successful coding

- Identify all surgical procedures
- Identify the anesthesia code to match the procedures
- Check the base units of all the procedures
- Code the procedure with the highest base unit
- Code add-on codes (if applicable)
- Calculate the number of minutes of anesthesia service
- Enter minutes accurately
Corporate culture….
- Group practice has a culture all its own
- Each facility also has its own corporate culture
- When you are an independent contractor you must figure out how to fit in as a “guest” into the anesthesia/OR culture as well as the facility
- Flexibility and confidence in your own practice allow you to succeed in nearly any corporate culture

Success in a new facility
- Treat every day as if it was your first day
- See value in the process of the OR where you are working
- Come prepared and Ask Questions
- Hold yourself to a high standard of ethics and performance
- Be involved. Be visible. Be active.

Legal Issues
- Medical Malpractice
- Major categories of liability/risk
- Value of documentation
- Tips for improving documentation

Malpractice Lawsuit
- Duty
  - In performing professional services, a CRNA has a duty to exercise reasonable care, diligence, and skill as are expected within their scope of practice
- Breach of Duty
  - Failure to follow standard of care (AANA)
- Proximate Cause
  - A cause which, in natural and continuous sequence, produces the injury either immediately or through events which follow on another.
- Injury/Damages
  - Economic and noneconomic
Areas often prompting Claims
- Failure to Monitor
- Failure to Document
- Failure to Follow Standards of Care
- Failure to Notify/Communicate with Physician
- Failure to Advocate

Anesthesia Related Malpractice Claims
- Nerve damage
- Brain damage
- Chronic pain
- Death

Adverse Event? What do I do now?
- Document event including medications, who was present, time, and actions
- Be honest with patient and family
- Notify risk management

Document is imperative
- Permanent medical record
- Sign and date/time entries
- Legal document
- Safety (allergies, previous adverse reactions, review of chart)
- Approved abbreviations only
- Reimbursement issues discussed previously
- Electronic Health Record now in many settings

Documentation
- Correct
- Chronological
- Clear
- Concise
- Complete
- Consistent

Malpractice Insurance
- Individual policy
- Employer policy
- Most often 1,000,000: 3,000,000 policy
Reducing Potential Liability

- Maintain open, honest, respectful relationships and communication
- Maintain competency in your area of practice
- Know your scope of practice and employer’s policies & procedures – follow them always
- Practice within the limits of professional licensure
- Know your limits and when to ask for help
- Listen to your gut... it is rarely wrong!

Thank you!