



Commonwealth of Massachusetts  
Executive Office of Health and Human Services  
Office of Medicaid  
[www.mass.gov/masshealth](http://www.mass.gov/masshealth)



MassHealth  
Transmittal Letter PHY-133  
December 2011

**TO:** Physicians Participating in MassHealth  
**FROM:** Julian J. Harris, M.D., Medicaid Director  
**RE:** Physician Manual (Anesthesia Units of Service)

This letter transmits revisions to the anesthesia services section of the physician regulations to implement the Health Insurance Portability and Accountability Act (HIPAA) Accredited Standards Committee (ASC) X12 version 5010 requirement that anesthesia services be reported in one-minute increments effective January 1, 2012.

These regulations are effective January 1, 2012.

#### **MassHealth Web Site**

This transmittal letter and attached pages are available on the MassHealth Web site at [www.mass.gov/masshealth](http://www.mass.gov/masshealth).

#### **Questions**

If you have any questions about the information in this transmittal letter, please contact MassHealth Customer Service at 1-800-841-2900, e-mail your inquiry to [providersupport@mahealth.net](mailto:providersupport@mahealth.net), or fax your inquiry to 617-988-8974.

#### **NEW MATERIAL**

(The pages listed here contain new or revised language.)

##### Physician Manual

Pages 4-43 and 4-44

#### **OBSOLETE MATERIAL**

(The pages listed here are no longer in effect.)

##### Physician Manual

Pages 4-43 and 4-44 — transmitted by Transmittal Letter PHY-131

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| <b>Commonwealth of Massachusetts<br/>MassHealth<br/>Provider Manual Series</b><br><br>Physician Manual | <b>Subchapter Number and Title</b><br>4 Program Regulations<br>(130 CMR 433.000) | <b>Page</b><br>4-43     |
|  | <b>Transmittal Letter</b><br>PHY-133   | <b>Date</b><br>01/01/12 |

(H) Team Surgery. Under some circumstances, the MassHealth agency pays for highly complex surgical procedures requiring the concomitant services of more than two surgeons as “team surgery.” The MassHealth agency pays a single consolidated payment for team surgery to the director of the surgical team. To receive payment, the director of the team must use the team surgery modifier. Payment includes all surgical assistant fees. The director of the surgical team is expected to distribute the MassHealth payment to the other physician members of the surgical team.

(I) Two Surgeons (Co-Surgery). The MassHealth agency pays for co-surgery when two surgeons work together as primary surgeons performing distinct parts of a reportable procedure. To receive payment, each surgeon must use the two surgeons modifier. Payment includes all surgical assistant fees.

(130 CMR 433.453 Reserved)

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| <b>Commonwealth of Massachusetts<br/>MassHealth<br/>Provider Manual Series</b><br><br>Physician Manual | <b>Subchapter Number and Title</b><br>4 Program Regulations<br>(130 CMR 433.000) | <b>Page</b><br>4-44     |
|  | <b>Transmittal Letter</b><br>PHY-133   | <b>Date</b><br>01/01/12 |

433.454: Anesthesia Services

(A) Payment.

(1) Payment Determination. Payment for anesthesia services is determined using base anesthesia units and time units. To determine payment, the MassHealth agency multiplies the anesthesia unit fee established by DHCFP by the time units reported on the claim pursuant to 130 CMR 433.454(A)(2)(c), plus the number of base units, if any have been set by DHCFP. The number of base units is the same for a surgical procedure, regardless of the type of anesthesia administered, including acupuncture (see 130 CMR 433.454(C)).

(2) Calculation.

(a) Anesthesia Units. The MassHealth agency pays for anesthesia services by multiplying the time units plus any base anesthesia units by the unit fee established by DHCFP. If DHCFP has not established base anesthesia units for a service, the MassHealth agency pays using time units only.

(b) Determining Payable Anesthesia Time. Payable anesthesia time starts when the anesthesiologist begins to prepare the patient for the induction of anesthesia in the operating room or equivalent area. Payable anesthesia time ends when the patient may be safely placed under postoperative supervision.

(c) Reporting Time Units. A provider's claim must report only payable time units. It must not include base anesthesia units or units that exceed the criteria described in 130 CMR 433.454(A)(2)(b) in the number of units field on the claim. Time units are measured in minutes. One unit equals one minute.

(3) Multiple Surgery Procedures. When anesthesia is administered for multiple surgery procedures, the MassHealth agency applies only the base anesthesia units for the procedure with the largest number of units to determine the maximum allowable fee.

(B) Services Provided by a Nurse-Anesthetist.

(1) Anesthesia services provided by a nurse-anesthetist are payable only if the nurse-anesthetist

(a) is authorized by law to perform the services;

(b) is a full-time employee of the physician and is not a salaried employee of the hospital; and

(c) performs the services under the direct and continuous supervision of the physician.

(2) The supervising physician must be in the operating suite and responsible for no more than four operating rooms. Availability of the physician by telephone does not constitute direct and continuous supervision.

(C) Acupuncture as an Anesthetic. The MassHealth agency pays for acupuncture only as a substitute for conventional surgical anesthesia.