

**TITLE:** Use of Modifier 23 (Unusual Anesthesia)

**POLICY/PURPOSE:** To clarify the general use of Modifier 23 and provide specific instructions on its use for Medicare claims processed by First Coast Service Options (FCSO), the Florida Medicare Administrative Contractor.

**DEFINITIONS:** N/A

**PROCEDURE:**

**1. General Use of Modifier 23**

This modifier is for informational use only and does not directly affect reimbursement other than allowing an anesthesia service that normally does not require general anesthesia. Append Modifier 23 to an anesthesia procedure code to indicate that a procedure normally performed under local anesthesia or with a regional block required general anesthesia. Documentation shall support the reason that general anesthesia was required.

- A. Append Modifier 23 to anesthesia CPT codes 00100 through 01999 only.
- B. If documentation does not support reason for general anesthesia, query the anesthesiologist. Append modifier based on anesthesiologist's response to query and amendment of documentation.
- C. If the payer does not require a modifier to indicate personally performed, medically directed or medically supervised, submit CPT Modifier 23 first.
- D. If the payer requires a modifier to indicate personally performed, medically directed or medically supervised, submit that modifier first and Modifier 23 second.
- E. If a resident was involved in the service, submit the appropriate modifier to indicate whether the service was personally performed, medically directed or medically supervised first, Modifier 23 second, and Modifier GC (this service has been performed in part by a resident under the direction of a teaching physician) third.

**2. Use of Modifier 23 for Traditional Medicare Part B Claims processed by FCSO**

FCSO utilizes Modifier 23 for reasons other than those listed in Section 1. When an anesthesiologist is not able to bill for an anesthesia service as "medical direction," one

option is to bill the service as “medical supervision” using Modifier AD (medical supervision by a physician: more than 4 concurrent anesthesia procedures). This modifier may be utilized when the number of concurrent procedures exceeds 3, when the documentation requirements for medical direction are not satisfied, or the anesthesiologist does not satisfy the presence requirements. When Modifier AD is appended to the anesthesia procedure code, reimbursement will be limited to 3 base units and no time units. If the anesthesiologist was present for induction, one time unit will be recognized in addition to the base units if Modifier AD and Modifier 23 are appended to the anesthesia procedure code. By appending Modifier 23 with Modifier AD, the anesthesiologist is attesting that proper documentation is on file to support that he or she was present at induction. Medicare will only reimburse 3 base units and no time units if Modifier 23 is not appended to the procedure code with Modifier AD.

- A. Submit Modifier 23 with anesthesia CPT codes 00100 through 01999 only.
- B. Report Modifier AD if medically supervised and anesthesiologist was not present at induction. No time units are to be reported.
- C. Use Modifier AD and Modifier 23 if medically supervised and documentation supports that anesthesiologist was present for induction. Bill one time unit.
- D. Append Modifier AD to anesthesia procedure code first and Modifier 23 second.
- D. If a resident was involved in the service, append Modifier AD first, Modifier 23 second, and Modifier GC third.

**Note: The procedure detailed under Section 2 does not extend to Railroad Medicare, Georgia Medicare, or Medicare Advantage payers.**

**REFERENCES:**

First Coast Service Options website, Part B, anesthesia, “Bill correct modifiers for medically supervised concurrent anesthesia procedures.”

< <https://medicare.fcso.com/anesthesia/0415173.asp>>, last accessed 09/04/2018.

*AMA 2018 CPT Professional*

*Optum 360 2018 HCPCS Level II*

CMS. *Medicare Claims Processing Manual* Internet Only Pub. # 100-04, Ch. 12, § 50

<<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c12.pdf>>, last accessed 09/04/2018.

**APPROVED BY:**

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