



**Louisiana Department of Health  
Health Plan Advisory 16-19  
July 22, 2016**

**Surgical and Maternity Anesthesia Policy**

This advisory provides notification of changes in the Medicaid Surgical and Maternity Anesthesia policy. Historically, anesthesia fee schedules have been maintained within the Medicaid Professional Services Provider Manual. Prospectively, anesthesia fee schedules will be maintained under the Fee Schedules link on [www.lamedicaid.com](http://www.lamedicaid.com).

This change is pursuant to a recent discovery by the Louisiana Department of Health (LDH) wherein the 3.4 percent across-the-board reduction to rates on the Professional Services fee schedule effective July 1, 2012, was implemented through the state administrative rulemaking process, but the Medicaid Professional Services Provider Manual was not updated.

As a corrective measure, LDH has created fee schedules for Maternity Anesthesia and Formula-Based Anesthesia Services which are located under the Fee Schedules link on the Medicaid website [www.lamedicaid.com](http://www.lamedicaid.com), and it has removed all anesthesia rates from the Professional Services Provider Manual.

Health Plans that relied on the Professional Services Provider Manual for anesthesia rate updates may have overpaid for anesthesia services.

Health Plans are required to correct separate payment errors identified during the claims investigation which led to the discovery of the fee schedule issue. Specifically, LDH policy permits billing for multiple maternity anesthesia claims on the same date of service. Some Health Plans have incorrectly interpreted this policy and inappropriately denied such claims as duplicates or for other reasons.

Remediation of claims denied in error will require Health Plans to make system modifications to appropriately apply Medicaid policy for anesthesia services as identified in the Professional Services Manual. Claims previously denied in error shall be reprocessed by the Plans, and payment shall be based on no less than the applicable anesthesia fee schedule rate in effect on the date of service. Reprocessing of inappropriately denied claims shall be completed no later

than Dec. 31, 2016. Capitation rates will not be adjusted as the correct anesthesia rates were used in actuarial calculations.

Minor anesthesia policy revisions under the “Billing Add-On Codes for Maternity-Related Anesthesia” and “Claims Filing” sections of anesthesia policy have been previously discussed with the Health Plans. The outdated fee-for-service claim submission direction for providers in the same group to submit only a single claim for all services has been removed. Each provider must submit claims for the services they provided utilizing the appropriate codes and modifiers as applicable.