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MEDICARE

Nurse Anesthetists Billed for Few Chronic Pain Procedures; Implementation of CMS Payment Policy Inconsistent

GAO Highlights

Highlights of GAO-14-153, a report to congressional requesters

Why GAO Did This Study

Chronic pain costs the nation about $600 billion each year, a quarter of which is borne by Medicare. One MAC, Noridian Healthcare Solutions (Noridian), began denying CRNA claims for certain chronic pain services in 2011, citing patient safety concerns. CMS issued a rule, effective January 2013, clarifying that CRNAs can bill Medicare for "any services that a [CRNA] is legally authorized to perform in the state in which the services are furnished," including chronic pain management services. GAO was asked to review Medicare's payment policy regarding the provision of chronic pain management services by CRNAs. This report examines, among other things, (1) trends in Medicare provider billing for selected chronic pain procedures; (2) in which states MACs allowed payment for selected procedures billed by CRNAs as of early 2013; and (3) how MACs implemented the payment policy. To do this, GAO selected seven categories of chronic pain procedures, in consultation with pain care experts. GAO analyzed Medicare claims data from 2009 through 2012, by provider type and geography. To determine which MACs allow CRNA payments and how MACs implemented CMS's policy, GAO interviewed medical directors at all nine MACs.

What GAO Recommends

GAO recommends that CMS provide specific instructions to MACs on (1) how to determine coverage with reference to a state's scope of practice laws, and (2) the application of the CRNA supervision rule. HHS concurred with these recommendations.

View GAO-14-153. For more information, contact James Cosgrove at (202) 512-7114 or cosgrovej@gao.gov.

What GAO Found

From 2009 through 2012, certified registered nurse anesthetists (CRNA)—a type of advanced-practice nurse specializing in anesthesia care—billed Medicare fee-for-service (FFS) for a minimal share of selected chronic pain procedures, less than ½ of 1 percent of these procedures in each year. Physicians without board certification in pain medicine billed for the majority of selected procedures each year, while pain physicians consistently billed for roughly 40 percent of selected procedures. Furthermore, although the number of chronic pain procedures billed by all rural providers increased from 2009 through 2012, the number of procedures billed by rural CRNAs declined over the period. Of all CRNA claims for selected procedures, the share billed by CRNAs in rural areas fell from 66 percent in 2009 to 39 percent in 2012.

Share of Selected Chronic Pain Procedures Billed in Medicare Fee-for-Service (FFS), by Provider Type, 2009 and 2012

	Share of procedures (in percent)	
Provider[a]	**2009**	**2012**
Certified registered nurse anesthetist	0.4%	0.3%
Nurse practitioner or physician assistant	1.0	2.3
Board certified pain physician	40.7	42.5
Other physician	57.9	54.8

Source: GAO analysis of Centers for Medicare & Medicaid Services (CMS) data.

Notes: Percentages may not add to 100 due to rounding.

[a]Provider type is based largely on the specialty indicated on the claim. Where services are billed "incident to," our analysis is based on the billing professional's specialty.

As of early 2013, Medicare Administrative Contractors (MAC)—entities that pay medical claims on behalf of Medicare—allowed payment to CRNAs for all selected procedures in 19 states, allowed payment for a subset of selected procedures in 30 states and the District of Columbia, and denied payments for all selected procedures in 1 state. Where MACs allowed payment to CRNAs for only certain procedures, payment policies indicated substantial variation in the specific allowed procedures.

Three of the nine MACs took steps to implement a Department of Health and Human Services' (HHS) Centers for Medicare & Medicaid Services (CMS) rule, effective January 2013, that defers to state scope of practice laws to inform coverage for CRNAs. CMS relies on MACs to review each state's CRNA scope of practice laws. However, most MACs reported difficulty interpreting state scope of practice laws regarding the services that CRNAs are allowed to provide; MACs noted that state scope of practice laws generally lack detail on which specific services CRNAs can perform. In addition, two MACs assumed that Medicare's rule requiring physician supervision for anesthesia services provided by CRNAs in hospital and ambulatory surgical center settings applied to chronic pain management services provided in all settings; this may have unnecessarily restricted the services for which CRNAs are allowed to bill in certain states.