



American Society of
Anesthesiologists[®]

November 12, 2024

Ms. Gail Boudreaux
President and Chief Executive Officer
Elevance Health, Inc.
220 Virginia Avenue
Indianapolis, IN 46204

Dr. Shantanu Agrawal
Chief Health Officer
Elevance Health, Inc.
220 Virginia Avenue

Dear Ms. Boudreaux and Dr. Agrawal,

On behalf of the 58,000 members of the American Society of Anesthesiologists (ASA), I write to express our grave concern about the announced Anthem policy to disregard well-established anesthesia time billing standards in Connecticut, Missouri, and New York. The Anthem policy provides no justification for paying for anesthesia services for only a portion of a patient's surgery. We request an immediate meeting with the Anthem officials who have authority over, and who will hold accountability for, this proposed policy change.

ASA strongly opposes Anthem's proposed policy to arbitrarily withhold payments for documented anesthesia time. Not only is the use of the Centers for Medicare & Medicaid Services (CMS) Physician Work Time Value not an accepted, reliable, or rational method for payment, it demonstrates Anthem's lack of knowledge regarding how anesthesia payments are made. The CMS Physician Work Time was not developed nor intended to support reporting or payment for anesthesia services. Further, Anthem's statement that such a policy change will "not change industry standard coding requirements or the American Society of Anesthesiologists' (ASA) anesthesia formula," is grossly inaccurate. The authors of this proposed policy have misinterpreted established coding requirements and ASA standards.

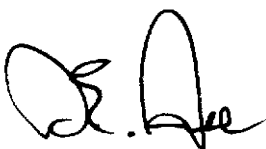
We request an urgent meeting to discuss our concerns. Based upon our reading of this proposed change, Anthem's policy threatens to deny claims where the anesthesia practice has accurately documented the time taken to perform the anesthesia service. In general, the policy would compel anesthesia groups to report what Anthem will allow instead of the accurate clinical time. Anesthesia time is defined in both federal regulations and in the CPT Codebook and these standards are accepted throughout health care. Anthem's new proposed policy is inconsistent with prevailing industry standards, regulations, and billing norms.

We question how Anthem could propose paying for only a portion of the anesthesia service needed by their customers. The policy does not contemplate that an anesthesia code may apply to vastly different surgical procedures with corresponding wide variations in surgical times. The policy also betrays a diminished dedication to patient agency and safety on the part of Anthem. In effect, if a patient has a surgery which lasts longer than the standards accepted by Anthem, Anthem has absolved themselves of responsibility to pay for the anesthesia that is needed for the rest of the encounter. Likewise, the policy

does not contemplate individual patient needs which are embedded within anesthesia time, including treatment of surgical complications during the course of the procedure. Such complications are not incorporated into the allocated base units but are accounted and paid for under longstanding payment regulations which incorporate time. The proposed Anthem policy reflects a significant disconnect between Anthem, its patients, and their needs.

Anthem should rescind this inappropriate and misguided policy change immediately. We request a meeting by November 15 with Anthem officials who have the authority to revoke this policy change. Please contact Helen Olkaba, ASA Director of Payment and Practice Management at h.olkaba@asahq.org or 202-330-4892 to set up this meeting.

Thank you,

A handwritten signature in black ink, appearing to read "D. Arnold". The signature is stylized and cursive.

Donald E. Arnold, MD, FACHE, FASA
President
American Society of Anesthesiologists