

“Physician Supervision” and “Medical Direction” Made Simple

Let’s define Medicare Part A “physician supervision” and Medicare Part B “medical direction” requirements to clear up misconceptions about these terms.

PHYSICIAN SUPERVISION	MEDICAL DIRECTION
What it is?	
<u>A rule for hospitals and surgical centers to participate in Medicare Part A.</u> A physician (e.g., surgeon, dentist) must oversee a Certified Registered Nurse Anesthetist (CRNA) unless the state has opted out.	<u>A payment option under Medicare Part B.</u> A physician anesthesiologist can bill for overseeing up to 4 CRNA cases at once, if they meet 7 specific requirements.
Why does it exist?	
<u>No statutory authority given for it.</u> ⁱ Research shows CRNAs are safe without supervision. ⁱⁱ Seen as unnecessary regulation.	<u>Created in 1982 to curb billing fraud by physician anesthesiologists.</u> Today, meeting the seven requirements is challenging. ⁱⁱⁱ
Whom does it involve?	
<u>Any physician</u> ^{iv} (not just an anesthesiologist) can <u>supervise</u> . In surgical centers, only the operating physician can supervise. ^v	<u>Only physician anesthesiologists</u> can bill for medical direction.
Is it required?	
<u>Yes, for facilities under Medicare Part A,</u> unless the state opts out. Not required for CRNA payment. ^v	<u>No.</u> CRNAs can bill Medicare Part B without medical direction. Facilities don’t have to use it.



PHYSICIAN SUPERVISION		MEDICAL DIRECTION	
Jurisdiction			
<u>Federal</u> (Medicare Part A) and <u>state</u> (opt-out by governor).		<u>Federal</u> (Medicare Part B).	
KEY FACT			
<u>Not tied to CRNA payment or quality of care. Research confirms CRNAs are safe without it.</u>		<u>A payment rule, not a quality standard.^{vi} CRNAs don't need it to provide or bill for care.</u>	

WHY IT MATTERS

- **Physician Supervision:** An outdated rule that adds red tape. Half of all states have opted out, allowing CRNAs to work independently, improving access to safe anesthesia care.
- **Medical Direction:** A billing option for physician anesthesiologists, not a requirement for CRNAs or facilities. It's about payment, not patient safety.

THE BOTTOM LINE

CRNAs are highly trained professionals who deliver safe, high-quality anesthesia care. **Physician Supervision** for CRNAs is an unnecessary facility rule, and **Medical Direction** is just a payment option, not a care standard. States can opt out of supervision to increase access to care without compromising safety.

Source: Medicare regulations, peer-reviewed studies (e.g., Hoyem et al., 2019).

ⁱ 66 FR 4685, January 18, 2001 and 66 FR 56768, November 13, 2001.

ⁱⁱ Peer-reviewed literature shows safety of CRNAs delivering anesthesia without supervision. Hoyem RL, Quraishi JA, Jordan L, Wiltse Nicely KL. Advocacy, Research, and Anesthesia Practice Models: Key Studies of Safety and Cost-Effectiveness. Policy Polit Nurs Pract. 2019 Nov;20(4):193-204. doi: 10.1177/1527154419874410. Epub 2019 Sep 11. PMID: 31510877.

ⁱⁱⁱ Epstein RH, Dexter F. Influence of supervision ratios by anesthesiologists on first-case starts and critical portions of anesthetics. Anesthesiology. 2012 Mar;116(3):683-91. doi: 10.1097/ALN.0b013e318246ec24. PMID: 22297567.

^{iv} TAG Q-0063, State Operations Manual Appendix L: Guidance for Surveyors: Ambulatory Surgical Centers, available at: https://www.cms.gov/regulations-and-guidance/guidance/manuals/downloads/som107ap_l_ambulatory.pdf.

^v 42 CFR § 414.60 Payment for the services of CRNAs. "Condition for payment. Payment for the services of a CRNA may be made only on an assignment related basis, and any assignment accepted by a CRNA is binding on any other person presenting a claim or request for payment for the service."

^{vi} 63 FR 58843, November 2, 1998.