

# MEDICARE REIMBURSEMENT FOR SURGICAL ASSISTANTS

Catherine Sparkman, AST director of government affairs

Allied health personnel assisting at surgery face a number of obstacles in seeking and receiving reimbursement for their services in the operating room. Medicare reimbursement presents confusing and sometimes contradictory payment methodologies, with end results bringing both bad and good news. The good news: hospitals do receive reimbursement for surgical assisting services in cases where the necessity of a surgical assistant is determined. The bad news: only a few medical practitioners are eligible to receive direct reimbursement for surgical assisting services, and the fact that a hospital receives reimbursement does not mean that those funds are earmarked for, or paid directly to, the surgical assistant.

## The Basics

Medicare, initiated under the Lyndon Johnson Administration, is the ultimate “public option”—in today’s parlance—for eligible beneficiaries. This health insurance program is operated and funded by the Federal government and

is administered by the Centers for Medicare and Medicaid Services (CXMS), formerly the Health Care Financing Administration (HCFA). The reimbursement program is divided into two discrete schemes: Medicare Part A, the hospital insurance plan, pays for hospital inpatient services, and Medicare Part B reimburses hospital outpatient costs and medical services performed by physicians and certain non-physician providers (NPPs). The two programs are fiscally independent from one

another, and reimbursement from each program is governed by separate payment systems. Hospitals are reimbursed through the inpatient prospective payment system (IPPS) and the outpatient prospective payment system (OPPS) calculations. Physician and NPPs are reimbursed through Medicare Part B according to the physician fee schedule adopted by CMS. The hospital payment schedules are adjusted according to several factors, including standard payment amounts, indirect costs of medical education, or patient outlier cases.

## Medicare Part A and the DRG Codes

Medicare Part A reimbursement to hospitals takes into account both capital costs (building) and operating expenses (which include services, medical and pharmaceutical supplies, nurses and other medical staffing), cost of recovery in the hospital, and other factors including hospital type, primary and secondary diagnoses, and patient demographics (age, gender, complications, discharge status). This

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*Editor’s Note: This information represents only a small portion of the relevant aspects related to the discussion regarding reimbursement.*

*In May, at the Association of Surgical Assistants Annual Meeting, two presentations will be held that are scheduled for Saturday morning, May 29, beginning at 8 am.*

*The first two-hour presentation will focus on legislation and reimbursement, featuring Catherine Sparkman, AST director of government affairs.*

*The second two-hour presentation will examine reimbursement and billing. A panel including representatives from recognized billing companies and practitioners who self bill will lead these discussions.*

*After both presentations, time has been allotted for questions and answers with attendees.*

*In Dallas, surgical assistants will have face-to-face opportunities to hear from experts and swap professional experiences with colleagues.*