

Addressing Arbitrary Time Limits in Anesthesia

HB 4040

Sections 18-20

Problem:

- In 2024 a large insurer that operates in many states, including Oregon, announced that they were going to implement a new policy in some states that would cap anesthesia reimbursement based on arbitrary time limits for procedures
- This kind of policy would result in providers being unpaid for the care that they provide, and may place dangerous and unnecessary time pressures on patient care

Solution:

- Sections 18-20 of HB 4040 states that an insurer may not deny reimbursement for anesthesia services based solely on the duration of the procedure.
 - Under this language, **insurers will retain the authority to deny claims for other reasons**, including medical necessity, documentation issues, and others.

Background:

- Anesthesia Services are billed based on a three-part formula:
 - *(how sick the patient is) + (the kinds of anesthesia services provided) + (amount of time spent with the patient)*
- Anesthesia providers stay with the patient through the duration of the procedure. They are the providers who manage the airway and other critical vitals.
- Anesthesia providers have little influence over the length of time of a procedure. That is influenced by the needs of the patient, the surgeon, and other members of the operating team.
- In 2025, four other states passed language similar to Sections 18-20 of HB 4040 (CT, IL, MD and OK).

-3 Amendment Request:

- The Oregon Society of Anesthesiologists has been discussing this language with insurers. We have received a request to push the effective date to January 2027.
 - We support this change, which is included in the -3 amendment.