IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT2026119 JULY 21, 2026

IHCP updates reimbursement percentage for anesthesia medical direction with modifier QK

The Indiana Health Coverage Programs (IHCP) is updating its guidance regarding the use of the **QK modifier** – *Medical direction of two, three, or four concurrent anesthesia procedures involving qualified individuals* for anesthesia services as part of the January 2024 Office of Medicaid Policy and Planning (OMPP) Healthy Indiana Plan (HIP) Rate Equalization Project. This update aligns IHCP reimbursement policies with Medicare physician adjustment policies for practitioners, services and site of service. This update is effective retroactively for dates of service (DOS) on or after **April 1, 2024**.

During implementation of anesthesia-related updates under the HIP Rate Equalization Project, modifier QK was inadvertently omitted from the anesthesia billing changes. This bulletin clarifies correct billing and reimbursement requirements for anesthesiologists providing medical direction and outlines corrective actions for impacted claims.

Medical direction for claims billed with modifier QK

As a reminder, modifier QK must be reported by an anesthesiologist when providing medical direction of two, three or four concurrent anesthesia procedures involving qualified individuals.

When multiple anesthesia providers (such as an anesthesiologist and a certified registered nurse anesthetist [CRNA]) bill the same anesthesia Current Procedural Terminology (CPT®[1]) procedure codes (00100 through 01999) for the same member on the same DOS, IHCP fee-for-service (FFS) claim-processing rules apply as follows:

- If both providers submit identical anesthesia procedure codes without appropriate medical direction modifiers, the second claim will deny.
- When one of the claims is billed with modifier QK, the claim will not deny due to duplicate billing.

Reimbursement update for modifier QK

Prior to the HIP Rate Equalization project, claims billed with modifier QK were reimbursed at 30% of the IHCP fee schedule.

Effective retroactively for DOS on or after April 1, 2024, claims billed with modifier QK will be reimbursed at 50% of the IHCP fee schedule.

Applicable claims will be mass adjusted or mass reprocessed. Providers should see adjusted claims on remittance advices (RAs) beginning Aug. 26, 2026, with internal control numbers (ICNs)/Claim IDs that begin with 52 (mass replacements non-check-related).

For more information

Questions about FFS billing and reimbursement should be directed to Gainwell Technologies Customer Assistance at 800-457-4584 or your Provider Relations consultant.

Individual managed care organizations (MCO) establish and publish billing and reimbursement criteria within the managed care delivery system. Questions about managed care billing and reimbursement should be directed to the MCO with which the member is enrolled.

QUESTIONS

If you have questions about this publication, please contact Customer Assistance at 800-457-4584.

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