

ALASKA WORKERS' COMPENSATION MEDICAL SERVICES REVIEW COMMITTEE MEETING



June 18, 2021

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TAB 1

ALASKA WORKERS' COMPENSATION
MEDICAL SERVICES REVIEW COMMITTEE MEETING

June 18, 2021

ALASKA DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
DIVISION OF WORKERS' COMPENSATION

Telephone 833-548-0282 ID 697 315 2079

Zoom Conference <https://us02web.zoom.us/j/6973152079>

AGENDA

June 18, 2021

- | | |
|-----------------|--|
| 9:00 am | Call to order <ul style="list-style-type: none">• Roll call - establishment of quorum• Approval of Agenda |
| 9:10 am | Overview/Discussion of 2022 MSRC Fee Schedule Issues |
| 10:15 am | Public Comment Period |
| 11:15 am | Break |
| 11:30 am | Overview/Discussion of 2022 MSRC Fee Schedule Issues <ul style="list-style-type: none">• Refer to MSRC internal working document for notes |
| 12:00 pm | Adjournment |

TAB 2

Alaska Workers' Compensation Medical Services Review Committee, AS 23.30.095(j)

The commissioner shall appoint a medical services review committee to assist and advise the department and the board in matters involving the appropriateness, necessity, and cost of medical and related services provided under this chapter. The medical services review committee shall consist of nine members to be appointed by the commissioner as follows:

- (1) one member who is a member of the Alaska State Medical Association;
- (2) one member who is a member of the Alaska Chiropractic Society;
- (3) one member who is a member of the Alaska State Hospital and Nursing Home Association;
- (4) one member who is a health care provider, as defined in AS 09.55.560;
- (5) four public members who are not within the definition of "health care provider" in AS 09.55.560; and
- (6) one member who is the designee of the commissioner and who shall serve as chair.

Committee Membership as of August 3, 2020

Seat	Last Name	First Name	Affiliation
Chairperson	Collins	Charles	Director, Division of Workers' Compensation
Alaska State Medical Association	Hall, MD	Robert J.	Orthopedic Physicians Anchorage, Inc.
Alaska Chiropractic Society	Vacant		
Alaska State Hospital & Nursing Home Association	House	Jennifer	Foundation Health
Medical Care Provider	Foland, MD	Mary Ann	Primary Care Associates
Lay Member – Industry	Steed	Misty	PACBLU
Lay Member – Industry	Scott	Pam	Northern Adjusters, Inc.
Lay Member – Labor	Beltrami	Vince	AFL-CIO
Lay Member – Industry	Kosinski	Susan	ARECA Insurance Exchange

TAB 3

*Workers' Compensation
Medical Services Review Committee
Meeting Minutes*

May 21, 2021

I. Call to order

Director Collins, Chair of the Medical Services Review Committee, called the Committee to order at 9:03 am on Friday, May 21, 2021. The meeting was held by telephone and video conference.

II. Roll call

Director Collins conducted a roll call. The following Committee members were present, constituting a quorum:

Vince Beltrami	Dr. Mary Ann Foland	Dr. Robert Hall	Jennifer House
Timothy Kanady	Susan Kosinski	Pam Scott	Misty Steed

Director Collins introduced senior staff present, and Carla Gee and Nan Orme with Optum.

III. Approval of Agenda

A motion to adopt the agenda was made by member Beltrami and seconded by member Steed. The agenda was adopted unanimously.

IV. Review of Minutes

The August 11, 2020 minutes were previously approved at the August 28, 2020 joint meeting. There were no minutes to approve.

V. Fee Schedule Guidelines Development Discussion

Director Collins stepped through the 2022 Fee Schedule Issues for Consideration.

Member Steed suggested that the committee review utilization of code 92633 for auditory rehabilitation / post-lingual hearing loss. Carla stated that Optum data may not be available, however member Foland suggested that the committee members research within their organizations.

The committee discussed the public health emergency code, 99072, and whether the code needed to be clarified for future use. Although the code is being abused by some providers, the committee was hesitant to limit the code beyond CMS rules. Member Foland commented that these expenses are considered the cost of doing business and are generally should not be billed to the insurance company. Member Steed suggested capping the code. Committee members will research this further and continue the discussion at a future meeting.

Member Kosinski asked if the Division's Annual Report could be provided. Director Collins explained that the 2020 annual report data was still being audited, however the 2019 report would be included in the next meeting packet.

VI. Director's Report

Director Collins provided an overview of pending legislation that may impact the Alaska Medical Fee Schedule, upcoming changes from CMS and AMA, and the Alaska Workers' Compensation COVID-19 statistics to date.

Break 10:00 am – 10:15 am

VII. Public Comment

Malan Paquette – representing self

- Promotes anti-fraud resources from the Federal trade commission, Crime Stoppers, certified fraud examiners, and other anti-fraud agencies.
- Urged the committee to consider fraud prevention in the medical community.
- Commented on the 2021 cruise ship season in Alaska.

Allison Leigh – representing self

- Made complaints and allegations against Director Collins, the Division's annual report, and a number of other individuals and entities.

VIII. Fee Schedule Guidelines Development Discussion Continued

Member Steed provided an update on the Drug Formulary workgroup, in partnership with the Workers' Compensation Board. The workgroup continues to make progress and intends to present their report at the October Board meeting.

The committee discussed treatment guidelines. Director Collins provided a history of the treatment guidelines workgroup. Member Kosinski and member Scott stated their support for treatment guidelines.

Carla Gee suggested a few improvements to the Fee Schedule for clarification and readability regarding TENS Units and durable medical equipment. Member House motioned to accept the revised language defining the markup at 20% and member Steed seconded. The motion passed unanimously. Optum will add the revised language to the draft 2022 Fee Schedule.

Member Steed brought forth an issue that hearing aid testing was being billed separately from evaluations. Member Steed motioned that testing be added to the hearing aid section as part of the bundled first year of treatment and that the reevaluations that are done when getting a new set of hearing aids needs to be done by a physician. Member Kosinski seconded the motion and the motion passed unanimously. Optum will add the revised language to the draft 2022 Fee Schedule.

Carla Gee brought forth an issue with the online pricer tool, that reimbursement is drastically different if a provider subtracts the expense of implant or not, which determines whether it is an outlier service. Carla asked if the committee wished to add language to clarify this. The committee requested additional information, which Carla will provide at a future meeting.

Carla Gee brought forth an issue regarding codes added due to the pandemic. Currently the fee schedule is silent on this issue and Carla suggested the committee consider add guidance

for new codes adopted by AMA and/or Medicare during the course of the year. The committee will discuss this at a future meeting.

The committee began review of conversion factors, and Carla described some areas that may need to be adjusted. Carla will continue to gather data to provide at a future meeting.

The next meeting is scheduled for June 18, 2021. This meeting will be held by telephone and video conference. A motion to adjourn was made by Member Beltrami and seconded by Member Scott. The motion passed unanimously.

Meeting Adjourned 11:54 pm

TAB 4



**ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT**

Workers' Compensation Medical Fee

Working Document

Medical Services Review Committee

Charles Collins, Chair
Robert Hall, MD
Timothy Kanady, DC
Mary Ann Foland, MD
Jennifer House
Misty Steed
Pam Scott
Vince Beltrami
Susan Kosinski

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ACKNOWLEDGEMENTS

As Chair of the Medical Services Review Committee (MSRC), I would like to acknowledge the tremendous amount of time the committee members have dedicated to this task. ~~In 2020, the MSRC held four meetings: May 20, 2020; June 19, 2020; July 10, 2020; and August 11, 2020.~~ As full-time professionals, the time these committee members took away from their practices and professions is deeply appreciated.

At these meetings, the MSRC analyzed data, reviewed reports, listened to testimony, and learned the complex rules of medical billing and payment formulas. All of these meetings were open to the public, and public comment was taken at each meeting. Stakeholders were encouraged to provide insights and comments throughout the meeting process. The agenda and minutes of those meetings are posted online at <https://labor.alaska.gov/wc/med-serv-comm.htm>.

Carla Gee and Nanette Orme with Optum, provided valuable input and subject matter expertise to assist the committee's work.

Disclaimers

STATE OF ALASKA DISCLAIMER

The Official Alaska Workers' Compensation Medical Fee Schedule is designed to be an accurate and authoritative source of information about medical coding and reimbursement. Every reasonable effort has been made to verify its accuracy, and all information is believed reliable at the time of publication. Absolute accuracy, however, cannot be guaranteed. This publication is made available with the understanding that the publisher is not engaged in rendering legal and other services that require a professional license.

NOTICE

This document establishes professional medical fee reimbursement amounts for covered services rendered to injured employees in the State of Alaska and provides general guidelines for the appropriate coding and administration of workers' medical claims. Generally, the reimbursement guidelines are in accordance with, and recommended adherence to, the commercial guidelines established by the AMA according to CPT guidelines. However, certain exceptions to these general rules are proscribed in this document. Providers and payers are instructed to adhere to any and all special rules that follow.

QUESTIONS ABOUT THE OFFICIAL WORKERS' COMPENSATION MEDICAL FEE SCHEDULE

Division staff are unable to provide advisory opinions on specific questions about billing, calculations, clarifications, or interpretations of the medical fee schedule. Readers should use their own judgment and interpretation and apply the medical fee schedule accordingly. If a provider is dissatisfied with payment, they may file a "Claim for Workers' Compensation Benefits," which is found on the division's website under "Quick Links" and "Forms." If a provider needs assistance in completing the claim, requesting a prehearing conference or scheduling a hearing on their claim, they may contact a Workers' Compensation Technician at 269-4980.

GENERAL QUESTIONS ABOUT WORKERS' COMPENSATION

General questions regarding the statutes, regulations, or claims process should be addressed to the State of Alaska Workers' Compensation Division at 269-4980.

AMERICAN MEDICAL ASSOCIATION NOTICE

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Updates and Notes

Content that was discussed at the last meeting, research and issues from Division staff and continued information received between meetings.

Supplies

Language clarification on items including TENS units, identifying the electrodes and supplies billed at 120%. Adjust the language to explain DMEPOS is billed at invoice plus 120%, keeping these sperate from many DME products billing at the 1.75 level. Hearing aide supplies also require language clarifying the 130% billing.

Hearing Aides

In particular adding "testing" to the list of services included with the dispensing of the product. Further clarification requiring a referral from a physician and a four times a year dispensing limit.

Research Pending

Optum team is working on certain CPT code billing practices for possible adjustment under the fee schedule. This includes investigation into how other jurisdictions are limiting and even placing caps on certain procedure codes. Known CMS changes upcoming and possible adjustments to service pricing and the effect that will have on our Fee Schedule.

MSRC News

The Division has received notification of the resignation of Timothy Kanady, DC. The Alaska Chiropractic Society is in the process of recommending a replacement member for the Committee. This recommendation must be approved by the Commissioner of Labor and Workforce Development and that process while fast, most likely will not be finished by the June meeting date. The Division will work with the ACS and Sheri Ryan, Chief Operating Officer, to insure a smooth transition.

PURPOSE and STATUTE

The purpose of this report is to convey the recommendations of the MSRC for the 2021 Workers' Compensation Medical Fee Schedule.

AS 23.30.095(j) establishes that the MSRC will "assist and advise the department and the board in matters involving the appropriateness, necessity, and cost of medical and related services provided under this chapter."

BACKGROUND

The MSRC is composed of

- one member who is a member of the Alaska State Medical Association;
- one member who is a member of the Alaska Chiropractic Society;
- one member who is a member of the Alaska State Hospital and Nursing Home Association;
- one member who is a health care provider, as defined in AS 09.55.560;
- four public members who are not within the definition of "health care provider" in AS 09.55.560; and
- one member who is the designee of the commissioner and who shall serve as chair.

The members are appointed by the Commissioner of Labor and Workforce Development. No terms for the members are set out in statute or regulation - they serve at the will of the Commissioner.

Seat	Last Name	First Name	Affiliation
Chairperson	Collins	Charles	Director, Division of Workers' Compensation
Alaska State Medical Association	Hall, MD	Robert	Orthopedic Physicians Anchorage, Inc.
Alaska Chiropractic Society	Kanady, DC	Timothy	Kanady Chiropractic Center, Inc.
Alaska State Hospital & Nursing Home Association	House	Jennifer	Foundation Health
Medical Care Provider	Foland, MD	Mary Ann	Primary Care Associates
Lay Member	Steed	Misty	PACBLU
Lay Member	Scott	Pam	Alaska Timber Insurance Exchange
Lay Member	Beltrami	Vince	AFL-CIO
Lay Member	Kosinski	Susan	ARECA Insurance Exchange

CURRENT OBJECTIVES

The MSRC intends to continue analyzing all fee schedule categories and make adjustments to move Alaska toward national and regional comparative reimbursement levels as a percentage of Medicare. The committee will take note of data that indicates Workers' Compensation Insurance claimants are having difficulties accessing medical services and take action to adjust reimbursement rates accordingly to ensure adequate access to medical providers. The committee plans to consider developing guidance for evidence-based treatment guidelines. This may include making recommendations for the adoption of evidence-based treatment guidelines to address particular areas of concern or for the adoption of a comprehensive treatment and utilization guideline. Significant changes to the Evaluation and Management category are expected from the Centers for Medicare and Medicaid Services in 2022 and the committee will need to address the adjustments.

The MSRC set the following meeting dates in 2021: May 21, June 18, July 16, and August 6. The committee proposed an August 27, 2021, meeting date for the joint meeting with the Workers' Compensation, subject to approval by the Board.

TOPICS FOR DISCUSSION

Included are ideas for the MSRC to consider for the 2022 Medical Fee Schedule. A set of committee guidelines shall be recommended and forwarded to the Alaska Workers Compensation Board for inclusion in the

Access to Care

Are there any obstructions or limitations to injured workers receiving care?

Conversion Factors and Multiplier Adjustments

Evaluation and Management – \$80.00 - unchanged since at least 2017.

Anesthesia - \$105.00 – reduced by 5% in 2020.

Surgery - \$125.00 – reduced by 5% in 2020.

Radiology - \$134.00 – reduced by 5% in 2020.

Pathology and Laboratory - \$122.00 – last changed in 2019.

Medicine - \$80.00 – unchanged since at least 2017.

Medicare Part B Drugs – 3.375

Durable Medical Equipment – 1.75 – reduced 5% in 2020.

Clinical Diagnostic Laboratory (CLAB) – 4.43 – Reduced in 20???

Disclaimers and Notices

WCD will adjust. Acting Chief of Adjudications Bill Soule currently at work on recommending language for our fee schedule disclaimer.

Experimental Treatments and Treatments Outside Scope of Practice

The MSRC recommends prohibiting reimbursement for treatments performed outside the medical provider's scope of practice as determined by law and the applicable regulatory board for a licensed medical provider.

The MSRC recommends limiting reimbursement for medications, treatments, and experimental procedures that are not consistent with the approval of the U.S. Food and Drug Administration and clarifying documentation necessary to demonstrate the quality and medical necessity of the service.

Ambulatory Service Centers

Currently same conversion as outpatient hospital reimbursements.

Outpatient Facility

Adjust multiplier?

Physical Therapy and Work Hardening

Utilization guidelines?

Chiropractic Medicine

Utilization recommendations or limits.

Inpatient Hospitals

PC Pricer/Web Pricer updates and changes.

Conversion factors for the eight major centers and a separate factor for the Other.

HCPCS Level II

Medicare Part B Drugs.

Durable Medical Equipment and supplies.

Hearing Aids and hearing aid services.

ADJUSTMENTS TO LANGUAGE IN FEE SCHEDULE

Tighten up verbiage on billing for items not expressly listed under CPT or HCPCS code including supplies for medical equipment and servicing of equipment. Consolidate the reimbursement schedules for consistency.

Develop guidelines for utilization of medical practices of recurring nature.

Strengthen guidelines for telehealth practice and discuss billing guidelines.

Discussion on subscription based medical practices.

Should the schedule include a section on addiction preventive practice or counseling?

EVIDENCE BASED TREATMENT GUIDELINES

Possible live ODG platform demonstration. The Division met with Patrick Robinson and Jamie LaPaglia of ODG by MCG for a discussion of their product. The possibility of live demonstration was our topic and ODG were interested in further follow up. ODG has offered to travel to Alaska to meet with us about the product and conduct live demonstrations for the Committee.