

ALASKA WORKERS' COMPENSATION
MEDICAL SERVICES REVIEW COMMITTEE MEETING

May 30, 2025

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

Telephone 977-853-5247 ID 867 2796 5944

Zoom Conference <https://us02web.zoom.us/j/86727965944>

AGENDA

June 27, 2025

- | | |
|-----------------|--|
| 9:00 am | Call to order <ul style="list-style-type: none">• Roll call - establishment of quorum• Approval of Agenda• Minutes from May 30, 2025• Issues from AWCB, DWC staff or MSRC |
| 9:50 am | Break |
| 10:15 am | Public Comment Period |
| 11:15 am | Break |
| 11:30 am | Overview/Discussion of any MSRC Fee Schedule Issues |
| 1:00 pm | Adjournment |

Alaska Division of Workers' Compensation Medical Services Review Committee Meeting Minutes

May 30, 2025

Friday, May 30, 2025

I. CALL TO ORDER

Director Charles Collins called the meeting to order at 9:04 a.m. in Anchorage, Alaska. Participation was available in person and via video conference.

II. ROLL CALL

The following Board Members were present:

Susan Kosinski	Jeff Gilbert	Mason McCloskey	Dr. Jeff Moore
Valerie Mittelstead	Pam Scott	Misty Steed	

Member Dr. Mary Ann Foland was excused. Members Valerie Mittelstead and Pam Scott arrived after roll call; a quorum was established.

III. PUBLIC COMMENT PERIOD: 10:15 AM- 11:15 AM

No public comment was made.

IV. FEE SCHEDULE DEVELOPMENT DISCUSSION

Member Steed led a discussion regarding rental pricing for certain types of durable medical equipment (DME), specifically pneumatic compression cooling devices (e.g., GameReady systems), which lack established rental fees under the CMS DMEPOS file. When rental codes do not exist for a device under the CMS DMEPOS file (such as codes E1399 and E0676), providers have been submitting purchase invoices. Alaska's current methodology allows for purchase reimbursement at 120% of invoice but does not specify a consistent method for calculating rentals. After review, the committee reached consensus to apply the CMS methodology as a foundation: when no DMEPOS rental fee exists, the rental will be calculated as 10% of the purchase price (purchase invoice \times 1.20 \times 10%), with daily rates available by dividing the monthly rental by 30, while maintaining consistency with CMS values where they exist. Carla Gee and Nan Orme (Optum) will draft narrative language and examples to incorporate this calculation into the Alaska fee schedule. Nan Orme will follow up with manufacturers to confirm whether alternate HCPCS codes exist for these devices.

Break 10:01 a.m. - 10:15 a.m.

Carla Gee and Nan Orme (Optum) presented a year-over-year comparison of the fee schedule changes, including updates from CMS and their effect on Alaska's Medical Fee Schedule. The Committee reviewed the impact of prior changes to conversion

factors and CMS fee updates. Notably, the 5% reduction to the DMEPOS multiplier in the previous year resulted in only a 2.8% decrease after accounting for CMS fee adjustments. Overall, changes to the physician fee schedule for the upcoming year are expected to result in minimal impact, with NCCI projecting approximately a 0.1% increase in professional services and a negligible effect on hospital and inpatient services. The Committee also discussed Alaska's relative insulation from federal CMS conversion factor changes due to its use of fixed state-specific conversion factors. Areas or sections using multipliers will be more susceptible.

The Committee briefly discussed the current reimbursement levels for Independent Medical Evaluations (IME) and noted that the fees for codes 99455 and 99456 have remained static for several years. Director Collins will conduct further internal review and bring the matter back for discussion if adjustments or clarifications are warranted.

The Committee discussed billing and reimbursement related to personal care attendants and home health services for catastrophic workers' compensation claims. Member Kosinski raised whether services provided by agencies such as Home Instead are subject to the fee schedule. It was noted that some providers bill using S-codes (e.g., S9122 for home health aide or certified nursing assistant care, and S9123 for nursing care provided in the home). These codes typically do not have established values under the Medicare-based fee schedule components, resulting in payment at billed charges. Carla Gee will research how other states structure reimbursement for similar services and provide additional information at a future meeting. The Committee also acknowledged the potential complexity of establishing fixed reimbursement methodologies, such as per diem rates, for such services.

V. **ADJOURNMENT**

Director Collins reminded the Committee that the next meeting is scheduled for June 27, 2025.

Meeting adjourned at 11:53 a.m.



**ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT**

Workers' Compensation Medical Services Review Committee

Medical Services Review Committee Members

Charles Collins, Chair
Jeff Moore, MD
Mason McCloskey, DC
Mary Ann Foland, MD
Jeff Gilbert
Misty Steed
Pam Scott
Valerie Mittelstead
Susan Kosinski

Schedule for 2025

The Medical Services Review Committee meeting dates set for 2025 include an in person kick off on **May 30th** in the Eagle Street location in suite 208 at 9am. **Zoom meetings** are scheduled for **June 27th**, at 9am and **July 18th** at 9am. Our **August 8th** meeting at 9am will be in person at the Eagle St. building. All meetings will be broadcast with Zoom and a quorum must be present for all meetings. Public comments will be allowed at all meetings and recorded in the minutes.

A joint AWCB/MSRC meeting will be held in person on **August 22nd**, 2024, in the same location. The committee recommendations will be presented at this meeting.

Address is Department of Labor and Workforce Development 3301 Eagle St., suite 208 Anchorage, AK 99503.

2025 Medical Fee Schedule Changes

A historical table of adjustments included:

Alaska Conversion Factors and Multipliers for Medical Fee Schedule										
	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Medicare Part B Average Sales Price	3.375	3.375	3.375	3.375	3.375	3.375	3.375	3.375	3.375	
Clinical Diagnostic Laboratory Fee Schedule	6.33	6.33	6.33	4.43	4.43	4.43	4.43	4.43	4.43	
Durable Medical Equipment, Prosthetics, Orthotics, and Supplies	1.84	1.84	1.84	1.84	1.75	1.75	1.75	1.75	1.66	
Surgery	205.00	174.00	165.00	132.00	125.00	119.00	119.00	119.00	119.00	
Radiology	257.00	206.00	196.00	141.00	134.00	121.00	121.00	121.00	121.00	
Pathology and Laboratory	142.00	142.00	135.00	122.00	122.00	122.00	122.00	122.00	122.00	
Medicine	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	
Evaluation and Management	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	
Anesthesia	121.82	121.82	121.82	110.00	105.00	100.00	100.00	100.00	100.00	
HCPCS (RBRVS) (relative values > 0 but no AKCF; defaults to 85% billed charges)										
Outpatient Facility	221.79	221.79	221.79	221.79	221.79	221.79	221.79	221.79	221.79	
Ambulatory Surgical Center	221.79	221.79	221.79	177.00	168.00	168.00	168.00	168.00	168.00	

Discussion Ideas

A few items of interest as we look at how the Medical Fee Schedule has impacted medical providers reimbursements recently. Remember numbers shared below, while discussed as 2025 committee year are for services rendered and reimbursed from 2023.

Special Evaluation and Management Services 2025				
CPT	Total Amount	Occurrences	Per occurrence	Description
99455	\$ 3,085.65	4	\$ 771.41	Work related or medical disability exam by treating physician
99456	\$ 306,602.00	192	\$ 1,596.89	Work related or medical disability exam by non-treating physician

These codes above are reimbursement for appointments deemed as “special or outside of normal treatment”, the full description is:

- **99455** Work related or medical disability examination by the treating physician that includes: Completion of a medical history commensurate with the patient’s condition; Performance of an examination commensurate with the patient’s condition; Formation of a diagnosis, assessment of capabilities and stability, and calculation of impairment; Development of future medical treatment plan; and Completion of necessary documentation/certificates and report.
- **99456** Work related or medical disability examination by other than the treating physician that includes: Completion of a medical history commensurate with the patient’s condition; Performance of an examination commensurate with the patient’s condition; Formation of a diagnosis, assessment of capabilities and stability, and calculation of impairment; Development of future medical treatment plan; and Completion of necessary documentation/certificates and report.

Normal office visits have corresponding codes of varied intensity.

New patient office visit or Outpatient visit				
CPT	Total Amount	Occurrences	Description	Decision Making
99202	\$ 30,928.72	178	Visit over 15 minutes	Straightforward
99203	\$ 274,313.46	942	Visit over 30 minutes	Low
99204	\$ 194,250.01	437	Visit over 45 minutes	Moderate
99205	\$ 33,342.19	58	Visit over 60 minutes	High
Established patient office visit or Outpatient visit				
CPT	Total Amount	Occurrences	Description	Decision Making
99211	\$ 2,293.36	28	N/A	Does Not Apply
99212	\$ 98,885.40	754	Visit over 10 minutes	Straightforward
99213	\$ 738,577.54	3325	Visit over 20 minutes	Low
99214	\$ 337,064.18	1053	Visit over 30 minutes	Moderate
99215	\$ 33,993.95	80	Visit over 40 minutes	High

Other common codes that we discussed were pertaining to emergency services, both transportation and the emergency room visits. These codes are very important in the worker’s compensation industry.

2025 Ambulance Services SY 2023				
CPT	Total Amount	Occurrences	Each	Description
A0425	\$ 74,359.86	404		GROUND MILEAGE, PER STATUTE MILE
A0426	\$ 1,483.06	1		AMBULANCE SERVICE, ADVANCED LIFE SUPPORT, NON-EMERGENCY TRANSPORT, LEVEL 1 (ALS 1)
A0427	\$ 50,813.74	57		AMBULANCE SERVICE, ADVANCED LIFE SUPPORT, EMERGENCY TRANSPORT, LEVEL 1 (ALS 1 -
A0428	\$ 12,390.42	15		AMBULANCE SERVICE, BASIC LIFE SUPPORT, NON-EMERGENCY TRANSPORT, (BLS)
A0429	\$ 47,136.55	66		AMBULANCE SERVICE, BASIC LIFE SUPPORT, EMERGENCY TRANSPORT (BLS-EMERGENCY)
A0430	\$ 344,473.24	70		AMBULANCE SERVICE, CONVENTIONAL AIR SERVICES, TRANSPORT, ONE WAY (FIXED WING)
A0431	\$ 34,425.00	3		AMBULANCE SERVICE, CONVENTIONAL AIR SERVICES, TRANSPORT, ONE WAY (ROTARY WING)
A0432	\$ 1,165.00	3		PARAMEDIC INTERCEPT (PI), RURAL AREA, TRANSPORT FURNISHED BY A VOLUNTEER AMBULANCE
A0433	\$ 5,707.90	4		ADVANCED LIFE SUPPORT, LEVEL 2 (ALS 2)
A0434	\$ 3,625.25	1		SPECIALTY CARE TRANSPORT (SCT)
A0435	\$ 665,822.35	34		FIXED WING AIR MILEAGE, PER STATUTE MILE
A0436	\$ 21,703.97	3		ROTARY WING AIR MILEAGE, PER STATUTE MILE

Emergency Room Visit				
CPT	Total Amount	Occurrences	Description	Decision Making
99281	\$ 34,791.52	142		May not require physician
99282	\$ 104,730.89	334		Straightforward complexity
99283	\$ 878,033.99	1611		Low complexity
99284	\$ 714,086.40	889		Moderate complexity
99285	\$ 60,182.82	88		High complexity

In the May meeting of the MSRC, there was a discussion on certain durable medical equipment and the rental or purchase of this equipment. The proper billing of some of these medical devices was also discussed. To assist the Committee, I have included some statistics on those types of devices and services.

Top 10 HCPCS BY Usage 2025 SY 2023				
HCPCS Code	Total Payments	Total Transactions	Description	Cost Per Unit
G0283	\$ 41,599.69	1012	Electrical Stimulation	\$ 41.11
S9122	\$ 345,071.55	822	Home Health Aide	\$ 419.80
E1399	\$ 247,064.76	545	DME Misc.	\$ 453.33
A0425	\$ 74,359.86	404	Ground Mileage	\$ 184.06
E0114	\$ 13,287.35	189	Crutches	\$ 70.30
A9901	\$ 9,859.86	170	DMS Delivery and Set-up	\$ 58.00
L3908	\$ 14,932.17	164	Wrist-Hand Orthosis	\$ 91.05
C1713	\$ 352,235.45	162	Anchor screw for bone/bone	\$ 2,174.29
L8699	\$ 170,055.87	143	Prosthetic Implant	\$ 1,189.20
S9124	\$ 113,017.69	118	Nursing care in Home by LPN	\$ 957.78
A9999	\$ 28,995.24	118	Misc. DME Supply	\$ 245.72

Clearly, the utilization of some HCPCS codes correspond to data that is logical for Alaska, home health transactions and mileage for travel to a facility are easily understood. The top 10 codes have remained constant for the past three years. By dollar amount we have a few different codes in the top 10.

Top 10 HCPCS by Amount 2025 SY 2023				
HCPCS Code	Total Payment	Description	Amount	Cost Per Unit
A0435	\$ 665,822.35	Fixed Wing Air Mileage	34	\$ 19,583.01
C1713	\$ 352,235.45	Anchor screw for bone/bone	162	\$ 2,174.29
S9122	\$ 345,071.55	Home Health Aide	822	\$ 419.80
A0430	\$ 344,473.24	Air Ambulance Fixed Wing	70	\$ 4,921.05
E1399	\$ 247,064.76	DME Misc.	545	\$ 453.33
C1776	\$ 220,137.83	Intercardiac Guide Sheath	13	\$ 16,933.68
L8699	\$ 170,055.87	Prosthetic Implant	143	\$ 1,189.20
A0180	\$ 118,890.58	Nonemergency Transportation	48	\$ 2,476.89
S9123	\$ 117,075.60	Nursing care in Home by RN	115	\$ 1,018.05
S9124	\$ 113,017.69	Nursing care in Home by LPN	118	\$ 957.78

There was discussion about billing on a device that is used after surgery, sometimes billed by different codes. I looked back at a couple of service years and included those codes for reference also.

2023 SY 2021				
HCPSC Code	Total Payments	Total Transactions	Description	Cost Per Unit
E1399	\$ 28,323.55	128	DME Misc.	\$ 221.28
E0676	\$ 95,260.68	55	Intermittent Limb Compression device	\$ 1,732.01
2024 SY 2022				
HCPSC Code	Total Payments	Total Transactions	Description	Cost Per Unit
E1399	\$ 295,189.05	326	DME Misc.	\$ 905.49
E0676	\$ 88,045.78	50	Intermittent Limb Compression device	\$ 1,760.92
2025 SY 2023				
HCPSC Code	Total Payments	Total Transactions	Description	Cost Per Unit
E1399	\$ 247,064.76	545	DME Misc.	\$ 453.33
E0676	\$ 98,150.15	58	Intermittent Limb Compression device	\$ 1,692.24

The billing seems constant during this timeframe.

Lastly, I separated out the “home health” codes that I could find from service year 2023.

2025 SY 2023				
HCPSC Code	Total Payments	Total Transactions	Description	Cost Per Unit
S9122	\$ 345,071.55	822	Home Health Aide	\$ 419.80
S9123	\$ 117,075.60	115	Nursing care in Home by RN	\$ 1,018.05
S9124	\$ 113,017.69	118	Nursing care in Home by LPN	\$ 957.78
S9131	\$ 1,657.50	6	Physical therapy in Home	\$ 276.25
S9338	\$ 1,000.00	8	Home Infusion Therapy	\$ 125.00
S9500	\$ 3,605.61	13	Home Infusion Therapy, every 24 hours	\$ 277.35
S9502	\$ 360.00	4	Home Infusion Therapy, every 8 hours	\$ 90.00

