

IDAPA 17 - INDUSTRIAL COMMISSION

17.02.09 - MEDICAL FEES

DOCKET NO. 17-0209-1201

NOTICE OF RULEMAKING - ADOPTION OF PENDING RULE

EFFECTIVE DATE: This rule has been adopted by the agency and is now pending review by the 2013 Idaho State Legislature for final approval. The pending rule becomes final and effective on July 1, 2013 unless the rule is approved, rejected, amended or modified by concurrent resolution in accordance with Section 67-5224 and 67-5291, Idaho Code. If the pending rule is approved, amended or modified by concurrent resolution, the rule becomes final and effective upon adoption of the concurrent resolution or upon the date specified in the concurrent resolution.

AUTHORITY: In compliance with Section 67-5224, Idaho Code, notice is hereby given that this agency has adopted a pending rule. The action is authorized pursuant to Sections 72-508, 72-720, 72-721, 72-722, 72-723, and 72-803, Idaho Code.

DESCRIPTIVE SUMMARY: The following is a concise explanatory statement of the reasons for adopting the pending rule and a statement of any change between the text of the proposed rule and the text of the pending rule with an explanation of the reasons for the change:

The pending rule reduces the number of conversion factors and provides the annual adjustment of the medical fee schedule for physician reimbursement in accordance with Section 72-803, Idaho Code; creates a pharmaceutical fee schedule for pharmacies and dispensing physicians; standardizes the required coding sets used by providers for billing medical services. Adjustments were made to the proposed physician conversion factors to minimize the negative financial impact to some providers. The definition for pharmacy was changed to coincide with the definition found in Section 54-1705, Idaho Code. A requirement for identification of the individual components with the original manufacturer's National Drug Code (NDC) for compound medications was added.

The text of the pending rule has been amended in accordance with Section 67-5227, Idaho Code. Only those sections that have changes that differ from the proposed text are printed in this bulletin. The complete text of the proposed rule was published in the October 3, 2012 Idaho Administrative Bulletin, **Vol. 12-10, pages 431 through 438**.

FISCAL IMPACT: The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year: N/A

ASSISTANCE ON TECHNICAL QUESTIONS: For assistance on technical questions concerning this pending rule, contact Patti Vaughn, Medical Fee Schedule Analyst, (208) 334-6084.

DATED this November 21, 2012.

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DOCKET NO. 17-0209-1201 - ADOPTION OF PENDING RULE

Substantive changes have been made to the pending rule.
Italicized red text that is double underscored is new text that has been added to the pending rule.

Only those sections or subsections that have changed from the original proposed text are printed in this Bulletin following this notice.

The text of the proposed rule was published in the Idaho Administrative Bulletin, Volume 12-10, October 3, 2012, pages 431 through 438.

This rule has been adopted as a pending rule by the Agency and is now awaiting review and approval by the 2013 Idaho State Legislature for final adoption.

**THE FOLLOWING IS THE AMENDED TEXT OF THE PENDING RULE
FOR DOCKET NO. 17-0209-1201**

030. DEFINITIONS.

Words and terms used in this rule are defined in the subsections which follow.

(4-7-11)

[Subsection 030.11]

11. Pharmacy. Any facility, department or other place where prescriptions are filled or compounded and are sold, dispensed, offered or displayed for sale, which has, as its principal purpose, the dispensing of drug and health supplies intended for the general health, welfare and safety of the public. ()

031. ACCEPTABLE CHARGES FOR MEDICAL SERVICES PROVIDED BY PHYSICIANS UNDER THE IDAHO WORKERS' COMPENSATION LAW.

Pursuant to Section 72-508 and Section 72-803, Idaho Code, the Industrial Commission (hereinafter "the Commission") hereby adopts the following rule for determining acceptable charges for medical services provided by physicians under the Idaho Workers' Compensation Law. (4-7-11)

[Subsection 031.03]

03. Conversion Factors. The following conversion factors shall be applied to the fully-implemented facility or non-facility Relative Value Unit (RVU) as determined by place of service found in the latest RBRVS, as amended, that was published before December 31 of the previous calendar year for a medical service identified by a code assigned to that service in the latest edition of the Physicians' Current Procedural Terminology (CPT), published by the American Medical Association, as amended:

MEDICAL FEE SCHEDULE			
<u>SERVICE CATEGORY</u>	<u>CODE RANGE(S)</u>	<u>DESCRIPTION</u>	<u>CONVERSION FACTOR</u>
<u>Anesthesia</u>	<u>00000 - 09999</u>	<u>Anesthesia</u>	<u>\$60.33</u>
<u>Surgery - Group One</u>	<u>22000 - 22999</u> <u>23000 - 24999</u> <u>25000 - 27299</u> <u>27300 - 27999</u> <u>29800 - 29999</u> <u>61000 - 61999</u> <u>62000 - 62259</u> <u>63000 - 63999</u>	<u>Spine</u> <u>Shoulder, Upper Arm, & Elbow</u> <u>Forearm, Wrist, Hand, Pelvis & Hip</u> <u>Leg, Knee, & Ankle</u> <u>Endoscopy & Arthroscopy</u> <u>Skull, Meninges & Brain</u> <u>Repair, Neuroendoscopy & Shunts</u> <u>Spine & Spinal Cord</u>	<u>\$135.00</u>
<u>Surgery - Group Two</u>	<u>28000-28999</u> <u>64000-64999</u>	<u>Foot & Toes</u> <u>Nerves & Nervous System</u>	<u>\$124.00</u>
<u>Surgery - Group Three</u>	<u>10000 - 19999</u> <u>20000 - 21999</u> <u>29000 - 29799</u> <u>30000 - 39999</u> <u>40000 - 49999</u> <u>50000 - 59999</u> <u>60000 - 60999</u> <u>62260 - 62999</u> <u>65000 - 69999</u>	<u>Integumentary System</u> <u>Musculoskeletal System</u> <u>Casts & Strapping</u> <u>Respiratory & Cardiovascular</u> <u>Digestive System</u> <u>Urinary System</u> <u>Endocrine System</u> <u>Spine & Spinal Cord</u> <u>Eye & Ear</u>	<u>\$88.54</u>
<u>Radiology</u>	<u>70000 - 79999</u>	<u>Radiology</u>	<u>\$88.54</u>
<u>Pathology & Laboratory</u>	<u>80000 - 89999</u>	<u>Pathology & Laboratory</u>	<u>To Be Determined</u>
<u>Medicine - Group One</u>	<u>90000 - 90799</u> <u>94000 - 94999</u> <u>97000 - 97799</u> <u>97800 - 98999</u>	<u>Immunization, Injections, & Infusions</u> <u>Pulmonary / Pulse Oximetry</u> <u>Physical Medicine & Rehabilitation</u> <u>Acupuncture, Osteopathy, & Chiropractic</u>	<u>\$49.00</u>
<u>Medicine - Group Two</u>	<u>90800 - 92999</u> <u>93000 - 93999</u> <u>95000 - 96020</u> <u>96040 - 96999</u> <u>99000 - 99607</u>	<u>Psychiatry & Medicine</u> <u>Cardiography, Catheterization, Vascular Studies</u> <u>Allergy / Neuromuscular Procedures</u> <u>Assessments & Special Procedures</u> <u>E / M & Miscellaneous Services</u>	<u>\$70.00</u>

(7-1-12)()

[Subsection 031.08]

08. Medicine Dispensed By Physicians. Reimbursement to physicians for any medicine shall not exceed the acceptable charge calculated for that medicine as if provided by a pharmacy under Section 033 of this rule

without a dispensing or compounding fee. Reimbursement to physicians for repackaged medicine shall be the Average Wholesale Price (AWP) for the medicine prior to repackaging, identified by the National Drug Code (NDC) reported by the original manufacturer. Reimbursement may be withheld until the original manufacturer's National Drug Code (NDC) is provided by the physician. ()

033. ACCEPTABLE CHARGES FOR MEDICINE PROVIDED BY PHARMACIES.

Pursuant to Section 72-508 and Section 72-803, Idaho Code, the Commission hereby adopts the following rule for determining acceptable charges for medicine provided by a pharmacy under the Idaho Workers' Compensation Law. ()

02. Adoption of Standards for Pharmacies. The following standards shall be used to determine the acceptable charge for medicine provided by pharmacies. ()

[Paragraph 033.02.c.]

c. Compound Medicine. The standard for determining the acceptable charge for compound medicine shall be the sum of the Average Wholesale Price (AWP) for each drug included in the compound medicine, plus a five dollar (\$5) dispensing fee and a two dollar (\$2) compounding fee. All components of the compound medicine shall be identified by their original manufacturer's National Drug Code (NDC) when submitted for reimbursement. Payors may withhold reimbursement until the original manufacturer's NDC assigned to each component of the compound medicine is provided by the pharmacy. Components of a compound medicine without an NDC may require medical necessity confirmation by the treating physician prior to reimbursement. ()