State of California

Department of Industrial Relations

DIVISION OF WORKERS’ COMPENSATION



**Order of the Administrative Director of the**

**Division of Workers’ Compensation**

**Official Medical Fee Schedule – Durable Medical Equipment,**

**Prosthetics, Orthotics, Supplies**

**(Adopted for Services Rendered on or after March 15, 2021)**

On December 16, 2020, the Administrative Director of the Division of Workers’ Compensation issued an order adjusting the Durable Medical Equipment, Prosthetics, Orthotics, Supplies (“DMEPOS”) portion of the Official Medical Fee Schedule adopted in title 8, California Code of Regulations, section 9789.60, to conform to changes to the Medicare payment system that were adopted by the Centers for Medicare & Medicaid Services (CMS) for the first quarter of 2021. Thereafter, on March 1, 2021, CMS issued a revised first quarter 2021 DMEPOS file. The file contains revised January 2021 fee schedule amounts for certain DMEPOS and PEN HCPCS codes. A list of the HCPCS codes with revised fees is included with the revised January 2021 DMEPOS and PEN files. This Order adopts a further update to the workers’ compensation DMEPOS fee schedule to conform to the revised Medicare DMEPOS fee schedule contained in the electronic file “[DME-21AR (ZIP)](https://www.cms.gov/medicaremedicare-fee-service-paymentdmeposfeescheddmepos-fee-schedule/dme-21ar)”. This Order adopts the revised first quarter file prospectively for services rendered on or after March 15, 2021.

Pursuant to Labor Code section 5307.1, subdivision (g), the Administrative Director of the Division of Workers’ Compensation orders that the DMEPOS portion of the Official Medical Fee Schedule contained in title 8, California Code of Regulations, section 9789.60, is adjusted to conform to changes to the Medicare payment system that were adopted by the Centers for Medicare & Medicaid Services (CMS).

Medicare Data Source and Incorporation by Reference

Effective for services rendered on or after March 15, 2021, the maximum reasonable fees for Durable Medical Equipment, Prosthetics, Orthotics, Supplies shall not exceed 120% of the applicable California fees set forth in the Medicare calendar year 2021 “Durable Medical Equipment, Prosthetics/Orthotics, and Supplies (DMEPOS) Fee Schedule” revised March 1, 2021, contained in the electronic file “[DME-21AR (ZIP)](https://www.cms.gov/medicaremedicare-fee-service-paymentdmeposfeescheddmepos-fee-schedule/dme-21ar)” which is adopted and incorporated by reference.

The fee schedule data files (DMEPOS\_Jan and DMEPEN\_Jan) set forth two columns for California labeled: “CA (NR)” [California Non-Rural] and “CA (R)” [California Rural]. For the services on or after March 15, 2021, payment shall not exceed 120% of the fee set forth for the HCPCS code in the CA (NR) column, except the fee shall not exceed 120% of the fee set forth in the CA (R) column if the injured worker’s residence zip code appears on the DMERuralZip\_Q12021 file, contained in the electronic file “[DME21-A (ZIP)](https://www.cms.gov/medicaremedicare-fee-service-paymentdmeposfeescheddmepos-fee-schedule/dme21)”. Where column CA (NR) sets forth a fee for a code, but CA (R) for the code is listed as “0.00” the fee shall not exceed 120% of the CA (NR) fee, regardless of whether the injured worker’s address zip code is rural or non-rural.

[DME-21AR (ZIP)](https://www.cms.gov/medicaremedicare-fee-service-paymentdmeposfeescheddmepos-fee-schedule/dme-21ar) includes the following documents, which are incorporated by reference:

DMEPEN\_Jan

DMEPOS\_Jan

HCPCS Code Fee Revisions after 12\_11\_20

The Administrative Director Order dated December 16, 2020 adopting [DME21-A (ZIP)](https://www.cms.gov/medicaremedicare-fee-service-paymentdmeposfeescheddmepos-fee-schedule/dme21) remains in effect for DMERuralZip\_Q12021 file, the DMEBACK 2021 file, and the DMEREAD 2021 file, for services rendered on or after March 15, 2021.

This Order shall be published on the Division of Workers’ Compensation [DMEPOS webpage](https://www.dir.ca.gov/dwc/OMFS9904.htm#3).

**IT IS SO ORDERED.**

Dated: March 4, 2021 /S/ GEORGE P. PARISOTTO\_\_\_\_\_\_\_

GEORGE P. PARISOTTO

Administrative Director of the

Division of Workers’ Compensation