

State of California
Department of Industrial Relations
DIVISION OF WORKERS' COMPENSATION



**Order of the Administrative Director of the Division of Workers' Compensation
(OMFS Update for Inpatient Hospital Services - Effective March 1, 2007)**

Pursuant to Labor Code section 5307.1(g)(2), the Administrative Director of the Division of Workers' Compensation orders that Title 8, California Code of Regulations, sections 9789.22 and 9789.24, pertaining to Inpatient Hospital Fee Schedule in the Official Medical Fee Schedule, are adjusted to conform to the correction of notice of January 5, 2007, published in the Federal Register, Vol. 72, No. 3, FR 569, entitled, "Medicare Programs; Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates; Final Fiscal Year 2007 Wage Indices and Payment Rates After Application of Revised Occupational Mix Adjustment to the Wage Index; Corrections" (CMS-1488-CN2), which corrects wage index and technical errors that appeared in the notice published in the Federal Register on October 11, 2006, entitled "Medicare Program; Hospital Inpatient Prospective Payment Systems and Fiscal Year 2007 Rates" (CMS-1488-N).

Amended section 9789.22 is adjusted to conform to the changes made by the correction of notice of January 5, 2007, to the qualifying DRGs when an acute care patient is discharged to a post-acute care provider. Amended section 9789.24 is adjusted to conform to the changes made by the correction of notice of January 5, 2007, to the Relative Weights and Geometric Mean Length of Stay for the listed diagnosis-related groups.

Pursuant to Labor Code section 5307.1(g)(2), the Administrative Director of the Division of Workers' Compensation orders that to the extent references to the Federal Register or Code of Federal Regulations are made in any sections starting from section 9789.20 through 9789.24 of Title 8 of the California Code of Regulations, said section is hereby amended to incorporate by reference the applicable Federal Register final rule (including notices, correction notices, and revisions) and Federal Regulations in effect as of the date this Order becomes effective, to be applied to discharges occurring on or after March 1, 2007.

The effective date of the above amendments is for inpatient hospital discharges occurring on or after March 1, 2007. This Order and the amended sections 9789.22 and 9789.24, shall be published on the website for the Division of Workers' Compensation: <http://www.dir.ca.gov/DWC/OMFS9904.htm>

IT IS SO ORDERED.

Dated: January 25, 2007

ORIGINAL SIGNED BY

CARRIE NEVANS

Acting Administrative Director of the
Division of Workers' Compensation