

Title 8, California Code of Regulations
Chapter 4.5, Division of Workers' Compensation
Subchapter 1
Administrative Director – Administrative Rules

Article 5.3

Section 9789.11. Physician Services Rendered on or after July 1, 2004.

(a) Except as specified below, or otherwise provided in this Article, the ground rule materials set forth in each individual section of the OMFS 2003 are applicable to physician services rendered on or after July 1, 2004.

(1) The OMFS 2003's "General Information and Instructions" section is not applicable. The "General Information and Instructions, Effective for Dates of Service on or after July 1, 2004," are incorporated by reference and will be made available on the Division of Workers' Compensation Internet site (http://www.dir.ca.gov/DWC/dwc_home_page.htm) <http://www.dir.ca.gov/DWC/OMFS9904.htm> or upon request to the Administrative Director at:

Division of Workers' Compensation (Attention: OMFS – Physician Services)
P.O. Box 420603
San Francisco, CA 94142

(b) For physician services rendered on or after July 1, 2004 the maximum allowable reimbursement amount set forth in the OMFS 2003 for each procedure code is reduced by five (5) percent, except that those procedures that are reimbursed under OMFS 2003 at a rate between 100% and 105% of the Medicare rate will be reduced between zero and 5% so that the OMFS reimbursement will not fall below the Medicare rate. The reduction rate for each procedure is set forth as the adjustment factor in Table A. Reimbursement for procedures that are reimbursed under OMFS 2003 at a rate below the Medicare rate will not be reduced.

(c) (1) Table A, "OMFS Physician Services Fees for Services Rendered on or after July 1, 2004," which sets forth each individual procedure code with its corresponding relative value, conversion factor, percentage reduction calculation (between 0 and 5.0%), and maximum reimbursable fee, is incorporated by reference.

(2) Table A, "OMFS Physician Services Fees for Services Rendered on or after January 14, 2005," which sets forth each individual procedure code with its corresponding relative value, conversion factor, percentage reduction calculation (between 0 and 5.0%), and maximum reimbursable fee, is incorporated by reference.

(3) Table A may be obtained from the Division of Workers' Compensation Internet site (http://www.dir.ca.gov/DWC/dwc_home_page.htm) <http://www.dir.ca.gov/DWC/OMFS9904.htm> or upon request to the Administrative Director at:

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- (d) (1) Except for anesthesia services, to determine the maximum allowable reimbursement for a physician service rendered on or after July 1, 2004 the following formula is utilized: $\text{RVU} \times \text{conversion factor} \times \text{percentage reduction calculation} = \text{maximum reasonable fee}$ before application of ground rules. Applicable ground rules set forth in the OMFS 2003 and the “General Information and Instructions, Effective for Dates of Service on or after July 1, 2004,” are then applied to calculate the maximum reasonable fee.
- (2) To determine the maximum allowable reimbursement for anesthesia services (CPT Codes 00100 through 01999) rendered after January 1, 2004, the following formula is utilized: $(\text{basic value} + \text{modifying units (if any)} + \text{time value}) \times (\text{conversion factor} \times .95) = \text{maximum reasonable fee}$.
- (e) The following procedures in the Pathology and Laboratory section (both professional and technical component) will be reimbursed under this section: CPT Codes 80500, 80502; 85060 through 85102; 86077 through 86079; 87164; and 88000 through 88399. All other pathology and laboratory services will be reimbursed pursuant to Section 9789.50, including but not limited to CPT Codes 80002 through 80440; 81000 through 85048; 85130 through 86063; 86140 through 87163; 87166 through 87999; and 89050 through 89399.

Authority: Sections 133, 4603.5, 5307.1, and 5307.3, Labor Code.

Reference: Sections 4600, 4603.2, and 5307.1, Labor Code.