

Commission on Health and Safety and Workers' Compensation

MINUTES OF SPECIAL CHSWC MEETING BY CONFERENCE CALL

**Tuesday, October 31, 2000
San Francisco, California**

In attendance

Chair Tom Rankin
Commissioners Jill A. Dulich, Leonard C. McLeod, Kristen Schwenkmeyer,
Robert B. Steinberg, Darrel "Shorty" Thacker, John C. Wilson
(Commissioner Gerald O'Hara was absent)
Executive Officer Christine Baker

Call to Order

Chairperson Tom Rankin called the meeting to order at 9 AM. Christine Baker took roll of the Commissioners present and reported who was in the room and or connected through telecommunications. She noted that Dr. Laura Gardner was present to respond to technical questions regarding the proposal. A listing of those in attendance is attached.

Discussion on the Proposal to Study the California Hospital Fee Schedule and Outpatient Surgical Procedures

Christine Baker presented the background and overview of the proposed study. She noted that the study would evaluate the adequacy of the California Inpatient Hospital Fee Schedule in California through empirical analysis.

The study will provide:

- (1) A description of the problems reportedly stemming from the current Inpatient Hospital Fee Schedule for workers' compensation in California
- (2) An analysis of the cost impact of California's current inpatient hospital fee schedule and certain outpatient surgical fees
- (3) If feasible, an analysis of the shift from inpatient to outpatient use of selected surgical procedures and the impact of this shift on overall payments to providers (including facility fees)
- (4) A modeling analysis of the outcomes of selected possible changes to the California fee schedule
- (5) Provision of recommendations for revising the Inpatient Hospital Fee Schedule and establishing an outpatient surgery fee schedule.

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Ms. Baker noted that Dr. Gerald Kominski of University of California at Los Angeles and Dr. Laura Gardner would staff the project.

Ms. Baker reported that Commission staff believe that this project has merit and recommend that the Commission consider its approval. The DWC Administrative Director has endorsed this project and recommends its approval.

Questions from the Commissioners

Commissioner Wilson asked if the Commission had sufficient money to meet the estimated cost of the project. Ms. Baker responded that the Commission does have enough resources for the study.

Commissioner Steinberg asked why the Division of Workers' Compensation is not conducting the study. Ms. Baker responded that the Administrative Director had requested that the Commission carry out the study, the Commission has the resources and the ability to pull together an independent qualified team of researchers for the study.

Chairman Rankin asked if the study would be completed by the time the Administrative Director had to revise the fee schedule in April 1, 2001. Christine Baker responded that the portion of the study that would allow the Administrative Director to make the revision would be completed by February.

Public Comments

Tom McCauley, representing the California Coalition on Workers' Compensation (CWCC) and the California Self-Insurers Association (CSIA), expressed his support for this approach. He stated that he was very concerned with the unsubstantiated current rulemaking proposal and the impact of such a proposal. He stated that he believed that it was important to conduct an objective study with better data. He expressed concern regarding access to medical care for injured workers and at the same time excessive costs to employers. He again stressed the importance of getting accurate information on which to base the schedule.

Commission Vote

Commissioner Wilson moved to approve the proposed study of the Workers' Compensation Inpatient Hospital Fee Schedule and Outpatient Surgery Procedures. Commissioner Thacker seconded the motion. A vote was taken by roll call and the motion passed unanimously. It was noted that Commissioner O'Hara was absent.

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Adjournment

Commissioner Wilson moved to adjourn the meeting. Chairman Rankin adjourned the meeting at 9:25 am.

Others in attendance

Tom McBirnie, CHSWC Consultant
Irina Nemirovsky, CHSWC Research Specialist
John Robeson, State Compensation Insurance Fund
Jose Ruiz, State Compensation Insurance Fund
Peggy Sugarman, California Applicant's Attorneys Association
Glenn Shor, Division of Workers' Compensation
Linda Rudolph, Division of Workers' Compensation
Tom McCauley, California Coalition on Workers' Compensation
Alex Swedlow, California Workers' Compensation Institute
Laura Gardner, Axiomedics (by telephone)
Corey Ingber, Zenith Insurance (by telephone)
Diane Przepiorski, California Orthopaedic Association (by telephone)
Larry Williams, Industrial Medical Council
Frank Neuhauser, UC Berkeley (by telephone)

Tom Rankin - 12-14-08

Christie Baker