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**

**Effective for Services Rendered on or after April 1, 2020**

Pursuant to Labor Code section 5307.1, subdivision (g)(2), the Administrative Director of the Division of Workers’ Compensation orders that the Durable Medical Equipment, Prosthetics, Orthotics, Supplies 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) in the April 2020 Quarter 2 DMEPOS Fee Schedule update

Medicare Data Source and Incorporation by Reference

Effective for services rendered on or after April 1, 2020**,** 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 2020 “Durable Medical Equipment, Prosthetics/Orthotics, and Supplies (DMEPOS) Fee Schedule” revised effective April 2020, contained in the electronic file “[DME20-B (ZIP)](https://www.cms.gov/medicaremedicare-fee-service-paymentdmeposfeescheddmepos-fee-schedule/dme20-b)” which is adopted and incorporated by reference, excluding the “Former CBA Fee Schedule File”, “Former CBA National Mail-Order DTS Fee Schedule File”, and “Former CBA Zip Code File”.

CMS has not made second quarter updates to the 2020 fee schedule data file and the Parenteral and Enteral Nutrition fee schedule (PEN) file. Therefore, the Administrative Director Order dated December 13, 2019 continues to be effective for DEMPOS fee schedule data file (DMEPOS\_JAN) and PEN data file (DMEPEN\_JAN). DMEPOS\_JAN and DMEPEN\_JAN files contained in the [DME20-A (ZIP)](https://www.cms.gov/medicaremedicare-fee-service-paymentdmeposfeescheddmepos-fee-schedule/dme20-b) remain effective for services rendered on or after April 1, 2020.

The fee schedule data file (DMEPOS\_JAN) sets forth two columns for California labelled: “CA (NR)” [California Non-Rural] and “CA (R)” [California Rural]. For the services on or after April 1, 2020, 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\_Q22020 file. 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.

[DME20-B (ZIP)](https://www.cms.gov/medicaremedicare-fee-service-paymentdmeposfeescheddmepos-fee-schedule/dme20-b) includes the following documents which are incorporated by reference:

DMEBACK Apr2020-508

DMEREAD 2020-508

DMERuralZip\_Q22020

Excluding:

Former CBA Fee Schedule File

Former CBA National Mail-Order DTS Fee Schedule File

Former CBA ZIP Code File

The [CMS Manual System, Pub 100-4 Medicare Claims Processing, Transmittal 10004, Change Request 11702](https://www.cms.gov/files/document/10004cp.pdf), March 20, 2020 sets forth the second quarter changes and is relied upon in adopting this update Order.

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 30, 2020 /S/ GEORGE P. PARISOTTO\_\_\_\_\_\_\_

GEORGE P. PARISOTTO

Administrative Director of the

Division of Workers’ Compensation