

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 Hospital Outpatient Departments and Ambulatory Surgical
Center Services - Effective July 1, 2018)**

Pursuant to Labor Code section 5307.1(g)(2), the Administrative Director of the Division of Workers' Compensation orders that the Hospital Outpatient Departments and Ambulatory Surgical Centers Fee schedule portion of the Official Medical Fee Schedule contained in title 8, California Code of Regulations, section 9789.39, is adjusted to conform to changes in the Medicare system, effective for services rendered on or after July 1, 2018. The update includes changes identified in Center for Medicare and Medicaid Services Change Request (CR) number 10781 Revised (released June 15, 2018), Transmittal R4075CP.

This Order adopts changes to the OMFS for the Hospital Outpatient Departments and Ambulatory Surgical Centers services to conform to the following Medicare changes:

- 1) The July 2018 Medicare Hospital Outpatient Prospective Payment System (OPPS) release. The CMS' Medicare Addendum A – updated 6/27/2018, as indicated below is adopted and incorporated by reference, and conforming changes are adopted to title 8, California Code of Regulations, section 9789.39:

For services rendered on or after July 1, 2018:

[Addendum A \[2018-July-Addendum-A.zip\]](#)

july_addendum_a.07.01.18revised06272018.xlsx

- 2) The July 2018 Medicare Hospital Outpatient Prospective Payment System (OPPS) release. The CMS' Medicare Addendum B – updated 6/27/2018, as indicated below is adopted and incorporated by reference, and conforming changes are adopted to title 8, California Code of Regulations, section 9789.39:

For services rendered on or after July 1, 2018:

[Addendum B \[2018-July-Addendum-B.zip\]](#)

july_addendum_b.07.01.18revised06272018.xlsx

- 3) The July 2018 Ambulatory Surgical Center Payment System release. Certain columns of the CMS' Medicare July 2018 ASC Approved HCPCS Code and Payment Rates, as indicated below is adopted and incorporated by reference, and conforming changes are adopted to title 8, California Code of Regulations, section 9789.39:

For services rendered on or after July 1, 2018:

July 2018 ASC Approved HCPCS Code and Payment Rates – Updated 06/27/2018
[2018-Jul-ASC-Addenda.zip]

july_2018_asc_addenda_updated_06_27_2018.xlsx

- o Column A entitled “HCPCS Code” of “Jul 2018 ASC AA”
- o Column A entitled “HCPCS Code” of “Jul 2018 ASC EE”

- 4) The July 2018 Integrated Outpatient Code Editor (I/OCE) release. Certain sections of the CMS' Revised IOCE Quarterly Data Files V19.2.R1 [ZIP, 9MB] as indicated below is adopted and incorporated by reference, and conforming changes are adopted to title 8, California Code of Regulations, section 9789.39:

For services rendered on or after July 1, 2018:

IOCE_V192_R1_QuarterlyDataFiles

IntegOCESpecsV19.2

- o Sections 5.4.1, 5.4.3, 5.4.5, 5.5, 5.6.1, 5.6.1.1, 5.6.2, 5.6.3, 5.6.4, 5.6.4.1, and 5.6.4.2.

- 5) The changes identified in Center for Medicare and Medicaid Services' July 2018 Update of the Hospital Outpatient Prospective Payment System (OPPS), Change Request (CR) number 10781 (revised and released June 15, 2018), Transmittal R4075CP. The update generally reflects changes identified in this transmittal.

This Order and the updated regulations are effective for services rendered on or after July 1, 2018 and shall be published on the website of the Division of Workers' Compensation:
<http://www.dir.ca.gov/DWC/OMFS9904.htm>

IT IS SO ORDERED.

Dated: June 27, 2018

ORIGINAL SIGNED BY _____
GEORGE P. PARISOTTO
Administrative Director of the
Division of Workers' Compensation