

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



**Order of the Acting Administrative Director of the
Division of Workers' Compensation
(OMFS Update for Physician Services and Non-Physician Practitioner Services -
Effective April 1, 2016)**

Pursuant to Labor Code section 5307.1(g)(1),(2), the Acting Administrative Director of the Division of Workers' Compensation orders that Title 8, California Code of Regulations, section 9789.19, pertaining to the Physician and Non-Physician Practitioner Services Fee Schedule portion of the Official Medical Fee Schedule, is adjusted to conform to relevant changes in the Medicare Physician Fee Schedule. The changes made by this order are effective for services rendered on or after April 1, 2016.

- A. On November 30, 2015, pursuant to Labor Code section 5307.1(g)(1),(2), the Administrative Director of the Division of Workers' Compensation issued an order that Title 8, California Code of Regulations, section 9789.19, pertaining to the Physician and Non-Physician Practitioner Services Fee Schedule portion of the Official Medical Fee Schedule, be adjusted to conform to relevant changes in the CY 2016 Medicare Physician Fee Schedule final rule, published on November 16, 2015, in the Federal Register (Vol. 80, FR 70886), and is entitled, "Medicare Program; Revisions to Payment Policies under the Physician Fee Schedule and Other Revisions to Part B for CY 2016," (CMS-1631-FC).

This Order amends section 9789.19 subdivision (c), "Update Table," for services rendered on or after April 1, 2016, to conform to relevant corrections contained in Medicare's correction notice published on March 8, 2016, in the Federal Register (Vol. 81, FR 12024), entitled, "Medicare Program; Revisions to Payment Policies Under the Physician Fee Schedule and Other Revisions to Part B for CY 2016; Corrections," (CMS-1631-F2). As part of the correction notice, Medicare corrected the 2016 Relative Value Unit (RVU) budget neutrality adjustment factors for anesthesia and other services. These corrections are summarized in Table 60 for other services and in Table 61 for anesthesia services (page 12028). The Division is informed by Medicare that Table 61 in the correction notice contains formatting errors which Medicare indicated will be corrected in a future correction notice. Specifically, Table 61 provides that CY 2016 anesthesia practice expense adjustment factor is 0.97628 and CY 2016 anesthesia malpractice adjustment factor is 0.9922. Medicare has indicated Table 61 should be formatted so that the CY 2016 anesthesia practice expense and malpractice expense adjustment are combined for an adjustment factor of 0.97628.

The Acting Administrative Director adopts the following RVU budget neutrality adjustment factors for services rendered on or after April 1, 2016:

- 2016 RVU budget neutrality adjustment factor for anesthesia, surgery, radiation, and all other services: 0.99924 [Tables 60 & 61]
- 2016 Anesthesia Practice Expense and Malpractice adjustment factor: 0.97628 [Table 61]

Applying the above adjustment factors for services rendered on or after April 1, 2016, the OMFS Physician and Non-Physician Practitioner services Conversion Factors adjusted for MEI and Relative Value Scale adjustment factors are updated and adopted as follows:

Type of Service	2016 Adjusted Conversion Factors (for services rendered on or after April 1, 2016)
Anesthesia	28.8003
Surgery	48.1743
Radiology	47.4332
All other services	42.4361

B. Title 8, California Code of Regulations section 9789.19 subdivision (c), “Update Table,” is amended for services rendered on or after April 1, 2016, to adopt and incorporate by reference the Medicare quarterly updates to the following files:

- 1) The April 1, 2016 quarterly update to the Practitioner Services Medically Unlikely Edits. Medicare’s [Practitioner Services MUE Table – Effective 4/1/2016](#) is adopted and incorporated by reference.
- 2) The April 1, 2016 CMS’ Medicare quarterly update to the National Correct Coding Initiative Practitioner PTP Edits. The Practitioner Correct Coding Edits files are adopted and incorporated by reference as follows:

[Practitioner PTP Edits v22.1 effective April 1, 2016 \(914,985 records \)](#) . The last row contains edits column 1 = 39599 and column 2 = 49570

[Practitioner PTP Edits v22.1 effective April 1, 2016 \(877,109 records \)](#) . The first row contains edits column 1 = 40490 and column 2 = 00170

- 3) The April 1, 2016 quarterly update to the Medicare Physician Fee Schedule release as indicated below is adopted and incorporated by reference:

For services rendered on or after April 1, 2016:

[RVU16B](#) (April 2016 release) [ZIP, 3MB]

- RVUPUF16 (Excluding Attachment A)
- PPRRVU16_April_V0202
- OPPSCAP_V0215
- Excluding:

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ANES_V0105

CY2016_GPCIs

The effective date of the new rates is for physician services and non-physician practitioner services rendered on or after April 1, 2016. This Order, the regulations, and the Medically Unlikely Edits file 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: March 30, 2016

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