

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 Outpatient Hospital and Ambulatory Surgical Center (ASC) Services
Effective July 15, 2005)

Pursuant to Labor Code section 5307.1(g)(2), the Administrative Director of the Division of Workers' Compensation orders that Title 8, California Code of Regulations, sections 9789.31, 9789.33, 9789.34 and 9789.35, pertaining to Hospital Outpatient Departments and Ambulatory Surgical Centers Fee Schedule in the Official Medical Fee Schedule, are adjusted to conform to the final rule of November 15, 2004 and the correction notice of December 30, 2004 published in the Federal Register which change the Medicare payment system. Amended section 9789.31 incorporates by reference the updated 2005 versions of Centers for Medicare and Medicaid Services' (CMS) hospital outpatient prospective payment system (HOPPS), CMS' Alphanumeric "Healthcare Common Procedure Coding System", and the American Medical Associations' Physician "Current Procedural Terminology". Amended section 9789.33 reflects changes to the determination of maximum payment for outpatient facility fees and the alternative payment methodology. Amended section 9789.34 reflects the changes to the wage index value by county and an updated conversion factor. Amended section 9789.35 reflects the changes to the hospital-specific wage index and an updated conversion factor for the listed California Hospital Outpatient Departments. An explanation of the changes is attached.

Pursuant to Labor Code section 5307.1(g)(2), the Administrative Director of the Division of Workers' Compensation orders that to the extent references to the Federal Register or Code of Federal Regulations are made in any sections starting from section 9789.30 through 9789.38 of Title 8 of the California Code of Regulations, said section is hereby amended to incorporate by reference the applicable Federal Register final rule (including correction notices and revisions) and Federal Regulations in effect on as of the date this Order becomes effective, to be applied to services rendered on or after July 15, 2005.

The effective date of the new rates is for visits and procedures described in section 9789.32 rendered on or after July 15, 2005. This Order, the amended sections 9789.31, 9789.33, 9789.34, and 9789.35, and the explanation of the changes shall be published on the website for the Division of Workers' Compensation: <http://www.dir.ca.gov/DWC/OMFS9904.htm>

IT IS SO ORDERED.

Dated: June 13, 2005

ORIGINAL ORDER SIGNED
ANDREA LYNN HOCH
Administrative Director of the
Division of Workers' Compensation