

OMFS Physician and Non-Physician Practitioner Services Fee Schedule 15-day Comment Period Chart, September 14, 2018

Issue	Comment	Response	Commenter
<p>Support for adopting Medicare MSA-based locality GPCIs</p>	<p>Commenter 2 states, “the California Orthopaedic Association supports the Division’s proposed change to use the Geographic Practice Cost Index (GPCI) utilized by Medicare for the geographic practice cost adjustments throughout California.</p> <p>Medicare updated the GPCIs, a few years ago, to more accurately reflect the practice costs in the higher cost areas of the state.</p> <p>Thus, we are now able to support utilizing the same GPCI system for California’s Workers’ Compensation Fee – Official Medical Fee Schedule –Physician Fee Schedule.”</p>	<p>Agree that Medicare MSA-based locality GPCIs should be adopted. The proposed revised payment localities are consistent with the objective of providing allowances that reflect resources required to provide a service in a particular geographic area, resulting in improved payment accuracy. A recent RAND memo determined the OMFS statewide fee schedule is paying relatively more in low cost areas and less in high cost areas than either Medicare or commercial payers.</p>	<p>2.1 – Lesley Anderson, M.D., Chair, California Orthopaedic Association’s Workers’ Compensation Committee</p>
<p>Proper Implementation of the use of GPCIs</p> <p>Section 9789.12.2(e)(2)</p>	<p>Commenter 1 states the following:</p> <p>1.1: “Since it is more likely that a physician may be providing interpretation services from a home office rather than a hotel, the Institute</p>	<p>1.1: The reference to a “hotel” is provided as an example. It is reasonable to assume that a “physician’s home” would also be considered an “unusual and infrequent location,” and</p>	<p>1.1 - 1.4 Stacy L. Jones, Senior Research Associate, California Workers’ Compensation Institute</p>

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	<p>recommends adding clarifying language.”</p> <p>1.2: “In order to avoid unnecessary billing disputes, the Institute recommends language that defines the methodology for calculating payment when California licensed physicians provide teleradiology services from locations outside of California. The simplest methodology would be to use the GPCIs that are already defined in addendum E of the adopted relative value tables. Alternatively, payment could be calculated based on the location where the technical component of the service was provided.”</p> <p>1.3: “The requirement to provide the address, including ZIP code, of the location where services are rendered should not be predicated on determining whether or not the payment localities may differ. The Institute recommends simplifying the language to</p>	<p>therefore, the Division does not feel further clarification is required.</p> <p>1.2: Application of GPCIs to services rendered by out-of-state providers is beyond the scope of this rulemaking. The commenter’s suggestion would substantially broaden the scope of the California OMFS Physician Fee Schedule, which currently does not address out-of-state physician providers.</p> <p>1.3: Determining the proper payment locality for global surgical packages are covered under subdivisions (e)(2)(A) and (e)(2)(C) of section 9789.12.2, in conjunction with subdivision (a)(3) of section 9789.16.2.</p>	
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	<p>address all situations where services included in a global surgical package are provided by the same or different physicians. The use of modifiers -54 and -55 are explained in the referenced sections ‘9789.2, et seq.’”</p> <p>1.4: Commenter 1 suggests minor non-substantive grammatical changes to sections 9789.16.1 and 9789.19. Commenter 1 also suggests grammatical re-ordering of certain phrases in section 9789.12.2.</p>	<p>Subdivision (e)(2)(A) of section 9789.12.2, provide guidance when the global surgery and post-operative care are provided in the same locality (whether by the same physician/group or different physicians/groups). Subdivision (e)(2)(C) of section 9789.12.2, provide guidance when global surgery and post-operative care are provided in different payment localities (whether the services were performed by the same physician/group or different physicians/groups).</p> <p>1.4: The adopted regulation text will reflect the suggested minor non-substantive changes suggested for sections 9789.16.1 and 9789.19. The DWC feels the current language proposed in section 9789.12.2 is sufficiently clear, and does not require revision.</p>	
<p>Time for implementation</p>	<p>Commenter 3 states, “The January 1, 2019 effective date of the proposed regulations leaves little time for insurers to implement appropriate changes to their billing systems and provide adequate training to</p>	<p>The Division anticipates adopting the amended regulations by the end of September 2018 (effective January 1, 2019). Immediately upon adoption, the Division plans to issue a newslines</p>	<p>3.1 Jose Ruiz, Claims Operations Manager, Claims Medical and Regulatory Division, State Compensation Insurance Fund</p>

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	<p>the their employees. State Fund would recommend an effective date at least 6 months from the adoption of the proposed regulations.”</p>	<p>notifying the public that the amendments to the regulations have been adopted and submitted to the Office of Administrative Law (just for file and print). The Division did not receive concerns from any other members of the public, regarding the time needed to implement the changes to the fee schedule. The Division believes three months provides an adequate timeframe.</p>	
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