

***Workers' Compensation  
Medical Services Review Committee  
Meeting Minutes  
July 28, 2017***

**I. Call to order**

Director Marx, acting as Chair of the Medical Services Review Committee, called the Committee to order at 10:01 am on Friday, July 28, 2017, in Anchorage, Alaska.

**II. Roll call**

Director Marx conducted a roll call. The following Committee members were present, constituting a quorum:

Dr. Mary Ann Foland

Dr. Robert Hall

Tammi Lindsey

Dr. William Pfeifer

Ross Newcombe

Pam Scott

Vince Beltrami

Misty Steed

**III. Approval of Agenda**

A motion to adopt the agenda was made by member Beltrami and seconded by member Foland. The agenda was adopted unanimously.

**IV. Approval of Minutes**

A motion to adopt the minutes from the July 21, 2017 meeting was made by member Foland and seconded by member Hall. A small error was noted and corrected. All members who were in attendance at the prior meeting unanimously voted to adopt the minutes.

**V. Fee Schedule Guidelines Development Discussion**

The committee discussed inpatient hospital conversion factor percentages in light of updated 2017 PC Pricer rates. The committee decided to keep the percentages discussed at the last meeting.

The committee discussed calculation of extra payments for implants and clarified the process for the extra payment. The DRG amount is paid initially. If an implant invoice is provided, and the implant invoice amount is less than \$25,000, no extra payment is due. If an implant invoice is provided, and the implant invoice amount is greater than \$25,000, then the extra payment calculation is applied.

**VI. Public Comment**

LeeAnne Carrothers, President of the Alaska Physical Therapy Association

- While the majority of other states allow physical therapists to bill at 100%, they also put a limit on the number of visits.
- Proposed a compromise that if physical therapists are carved out and allowed a maximum allowable reimbursement of 100% of the physician fee schedule amount, a limit be set of 24 visits for 97xxx codes provided by physical therapists or physical therapy assistants, requiring a re-examination after 24 visits, with further care requiring justification.

- Proposed a compromise that if physical therapists are carved out and allowed to bill at 100%, that physical therapy assistants continue to bill at 85%.

Dr. Joella Beard, Self

- Physical therapy services are being performed by individuals who are not certified, credentialed physical therapists. This increases costs and duration of care. A review needs to be done to see who is using the physical therapy CPT codes.
- The Alaska Workers' Compensation Board should also look at other procedures and assessments that should only be performed by medical doctors. There needs to be a review of scope of practice and duration of care.

## **VII. Fee Schedule Guidelines Development Discussion Cont.**

The committee continued its discussion of implant extra payment calculation relating to multiple devices. The language "or devices" will be added to the implant extra payment calculation section, to clarify the committee's intent that the \$25,000 implant invoice cost threshold is inclusive of all devices.

The committee reviewed changes made to the Guidelines draft since the last meeting.

*Break 11:13am - 11:31am*

## **VIII. Fee Schedule Guidelines Development Discussion Cont.**

The committee continued its review of changes made to the Guidelines draft since the last meeting.

Dr. Pfeifer stated language should be added recommending that individuals download new versions of the PC Pricer as they become available.

The PC Pricer version in effect on January 1st should be used until the Director publishes a notice to the public that a new version is in effect.

The committee discussed a carve out for physical therapy services. A carve out would allow physical therapists a maximum allowable reimbursement of 100% of the physician fee schedule amount. Currently, non-physicians are allowed a maximum of 85% of the physician fee schedule amount.

Many states allow physical therapists 100% of the physician fee schedule maximum allowable reimbursement, but many states also have utilization limits.

Dr. Pfeifer moved to adopt language in the guidelines stating, "Physical Medicine services provided by physicians and licensed physical or occupational therapists are reimbursed at the lesser of the billed amount or MAR and are not further discounted." Member Hall seconded.

Director Marx called the question. The committee voted and the motion did not pass on a 5 to 4 vote, with Chair Marx and members Newcombe, Steed, Lindsey and Scott voting against, and members Foland, Pfeifer, Beltrami, and Hall voting in favor.

In follow up, Director Marx stated that the maximum allowable reimbursement amount has been reduced for many stakeholder groups. The status quo should be maintained while this issue is looked into further and reviewed again at next year's MSRC meetings.

*Break 1:03pm - 1:09pm*

The committee requested that in the interim before next year's MSRC meetings, Director Marx look into whether there is a way to obtain NCCI data by provider type. Director Marx will also try to obtain cost per claim/utilization data for physical and occupational therapy services, as well as information on other states' frequency limitations for such services.

The committee reviewed the draft Workers' Compensation Medical Fee Schedule Recommendations summary. Dr. Pfeifer requested that "invoice" be added to the implant invoice cost example in the Hospital Inpatient Fee Schedule section, so that it reads, "For example, an implant invoice cost of \$60,000 would receive an extra payment of \$38,500 ( $\$60,000 - \$25,000 = \$35,000$ .  $\$35,000 \times 10\% = \$3,500$ .  $\$35,000 + \$3,500 = \$38,500$ )." With this change, the committee approved the written recommendation summary.

Member Newcombe asked that the committee add to next year's action items consideration of whether a carve-out is needed for long-term, non-acute inpatient hospital stays. He provided an example where an injured fireman needed an extended inpatient hospital non-acute stay, because no long-term care facility space was available.

The joint MSRC and Workers' Compensation Board meeting is scheduled for August 4th, 2017. The meeting will be an in-person meeting.

The MSRC scheduled the following meetings in 2018: June 15th, June 29th, July 13th and July 27th.

*Meeting Adjourned 1:36 pm.*