2017 Schedule of Medical Fees

Anne Jinks, Medical Services

Who Provides the Medical Treatment

• If eligible, the employer is required to furnish all necessary medical treatment
• The employer/insurance carrier has the right to designate the treating physician
• In certain situations the injured worker may request a change of physician as per Kansas Statute 44-510h(b)(1)

Who Provides the Medical Treatment (continued)

• If the claim is not being denied as a compensable claim, a worker may seek the services of an unauthorized doctor up to a limit of $500 for examination, diagnosis or treatment, but the visit can not be used to obtain a functional impairment rating.

44-510h(b)(2)
WHAT PROVIDERS SHOULD KNOW BEFORE TREATMENT

IS EMPLOYER AWARE OF INJURY?

HAS EMPLOYER REPORTED INJURY TO INSURANCE CARRIER?

WHO IS RESPONSIBLE FOR PAYMENT?

IS TREATMENT AUTHORIZED?

If possible, authorization of treatment should be obtained from the workers compensation insurance carrier or the employer.

If you are unable to obtain the insurance carrier’s name from injured worker or the employer, you can verify coverage from our website or contact our Ombudsman Section, 800/332-0353

Some employers are exempt from carrying work comp coverage, which may cause a problem as to who is responsible for payment of treatment.
VERIFY COVERAGE
Coverage information for employers in the State of Kansas is available through our website

Workers Compensation Insurance
Coverage Not Required
• Annual Payroll under $20,000
• Partners
• Sole Proprietor
• Sub-contractors
• LLC’s (Limited Liability Company Members)
• Agricultural Pursuits

ELECTION INFORMATION
Certain Employers or Individuals: Can Elect to come under the Act or Elect out of the Act.
WHO PAYS WHAT
The insurance carrier, group funded pool, or self-insured employer pays:

• Medical Treatment (Includes prescriptions)
• Medical Mileage – More than 5 miles roundtrip
• Travel & living expenses (KSA 44-515)
• Disability benefits

PAYMENT OF MEDICAL BILLS
• INSURANCE CARRIER/EMPLOYER COORDINATES WHAT MEDICAL TREATING FACILITY TO USE
• ALL MEDICAL BILLS SUBMITTED TO INSURANCE CARRIER
• EMPLOYERS DO NOT PAY ANY WORKERS COMPENSATION EXPENSES OUT OF POCKET UNLESS YOU ARE AN APPROVED SELF-INSURED EMPLOYER AND CAN, BY STATUTE, DIRECTLY PAY COMPENSATION

Release of Medical Records

• The patient privilege preventing the furnishing of medical information by doctors and hospitals is waived by a worker seeking workers compensation benefits.
• All reports, records and data concerning exams/treatment shall be furnished to employer or insurance carrier without the necessity of a release by the worker.
Release of Medical Records (continued)

• Unreasonable refusal by a worker to cooperate may result in compensation being denied or terminated.

K.A.R. 51-9-10

Under K.S.A. 44-510j(h)

Any health care provider which accept the terms of the workers compensation act by providing services or material thereunder shall be bound by the fees approved by the director and no injured employee or dependent of a deceased employee shall be liable for any charges above the amounts approved by the director.

44-510j

K.S.A. 44-510j(h)

No action shall be filed in any court by a health care provider or other provider of services under this act for the payment of an amount for medical services or materials provided under the workers compensation act and no other action to obtain or attempt to obtain or collect such payment shall be taken by a health care provider or other provider of services under this act, including employing any collection service, until after final adjudication of any claim for compensation for which an application for hearing is filed.

44-510j
The January 1, 2017 edition of the Schedule of Medical Fees will be now available for review on our website in November, 2016.

Understanding The Kansas Workers Compensation Schedule of Medical Fees

LEGISLATIVE HISTORY

1990 - Mandate of Medical Fee Schedule Authorized

1993 - Creation of Medical Administrator and the first Schedule of Fees issued in November

K.S.A. 44-510i(c)
LEGISLATIVE HISTORY
K.S.A. 44-510i(c)(2)

• REVISED, AS NECESSARY, AT LEAST EVERY TWO YEARS BY THE DIRECTOR TO ASSURE THAT THE SCHEDULE IS:

“CURRENT, REASONABLE, AND FAIR”

CURRENT FEE SCHEDULE

• Twelfth Revision implemented January 1, 2015

• Thirteen Revision planned for January 1, 2017 which the focus will be on for this presentation

KANSAS SCHEDULE OF MEDICAL FEES 2017

• Division received many complaints regarding the payment to ASC and outpatient surgeries

so

• Division put together a working group of facilities and payers and changed how they would be paid in 2017
Ambulatory Surgical Centers (ASC’s) and outpatient hospital surgeries will be paid by a prospective payment system based on 200% of the Final OPPS Payment by HCPCS Code for CY 2016.

ASC’s will only be reimbursed the CPT surgical code listed within that section plus the invoice cost of grafts plus 25%, implantables will not be reimbursed.

Outpatient Hospital Surgeries will also be reimbursed the surgical code contained in that section, plus grafts, surgical supply codes 270-279 are to be included in the surgical procedure code and will not be separately reimbursed.

• The rules for multiple and bilateral surgeries will still apply.
ICD-10 will be required by the 2017 fee schedule.

Inpatient hospital payments will be based on the 33rd edition of the MSDRG’s but the multiplier for the peer groups will remain unchanged.

Implantables will be paid at 50% of the billed amount if the billed amount is $5000 or under (so no invoice will be needed).

Implantables billed over $5000 will still require an invoice and will be paid at cost plus 25%.

The stoploss has been raised to $65,000.

Trauma levels have been increased by 60% to Level 1 = $6000

Level 11 = $5200

Level III = $2800

The discount for home health, nursing homes, rehab facilities etc. will increase to 20%, x-ray, path and lab will be carved out and paid at the CPT level.
KANSAS SCHEDULE OF MEDICAL FEES 2017

• IME’s, depositions and testimony will increase from $300 to $400 for the 1st hour of review and $100 for each additional 15 minutes from $75.

• Review of Medical Records for depositions and testimony will increase from $75 to $100 for review of the 1st 50 pages of medical records and from $37.50 to $50 for each additional 50 pages.

KANSAS SCHEDULE OF MEDICAL FEES 2017

• We have also added a statement that no charges will be allowed for searching medical records if no records are found and a provider can charge up to $25 for electronic records.

• Most of the physician CPT codes will increase by an average of 3%, dental codes will increase by 10%

KANSAS SCHEDULE OF MEDICAL FEES 2017

• Air ambulance services will be paid at the usual and customary amounts while land services will be paid at 30% of billed charges.
K.S.A. 44-508(e)

- (r) “usual charge” means the amount most commonly charged by health care providers for the same or similar services.

- (s) “customary charge” means the usual rates or range of fees charged by health care providers in a given locale or area.

OR

The Fee Schedule, whichever is less.

National Correct Coding Initiative Edits (NCCI)

A. Established by CMS to promote correct coding methodologies and to control improper coding leading to inappropriate payments.

B. The NCCI Edits are recognized by the Kansas DWC Medical Fee Schedule.

Physician Reimbursement

A. Determined by using the 2009 Essential RBRVS values for CPT and HCPCS codes.

B. The new conversion factors vary by sections within the fee schedule.
2017 Fee Schedule

• Analysis by The National Council on Compensation Insurance (NCCI):

The 2017 fee schedule will result in an overall impact of workers compensation costs to be a savings of $2 million.

2017 Fee Schedule Projected Availability

• Plans for an online version of the 2017 fee schedule, for review purposes only, to become available by November.

• We no longer produce hard copies

• Excel version of the tables be available after January 1, 2017, paid for in advance on special order. (Estimated price $40.00)

Fee Disputes (K.S.A. 44-510j)

• Employer or carrier shall notify the provider within 30 days for the specific reason for refusing payment or adjusting the bill.
Fee Disputes (K.S.A. 44-510j)

- The provider must send any request for reconsideration within 30 days of receiving written notice of the bill dispute.

- No response to the provider within 60 days of the first bill, the provider can apply for an informal hearing before the director as outlined in K.S.A. 44-510j.

FORMAL HEARING PROCEDURE

- If no settlement is reached, the director may schedule a formal hearing.
ANNUAL FEE SCHEDULE REVIEWS

The Kansas Division of Workers Compensation is planning to initiate an annual review and update of the fee schedule.
Bibliography
42nd Annual Workers Compensation Seminar
1 p.m. Wednesday, Sept. 28, 2016
2017 Kansas Schedule of Medical Fees Update
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Kansas Workers Compensation Laws and Regulations
Kansas Statute 44-510h(b)(1) “Change of Physician”
Kansas Statute 44-510h(b)(2) “Unauthorized Physician”
Kansas Statute 44-510i(c)(2) Legislative History for Revision
Kansas Statute 44-515(a) “Travel & Living Expenses”
Kansas Administrative Regulation (KAR) 51-9-10 “Release of Medical Records”
KAR 44-510j(h) “Health care provider who accepts terms under the Act is bound by fees”
KAR 44-508(e) “Usual Charge” and “Customary Charge”

Kansas Workers Compensation Publications
2015 Schedule of Medical Fees – Kansas Workers Compensation
2017 Schedule of Medical Fees – Kansas Workers Compensation

Web Sources
National Correct Coding Initiative (NCCI)
National Correct Coding Initiative Edits
The National Council on Compensation Insurance (NCCI)
www.ncci.com/pages/default.aspx

Direct Contact
Kansas Department of Labor, Division of Workers Compensation,
Ombudsman Section 1-800-332-0353 “Verify Coverage”