

***Workers' Compensation  
Medical Services Review Committee  
Meeting Minutes***

August 9, 2019

**I. Call to order**

Director Mitchell, acting as Chair of the Medical Services Review Committee, called the Committee to order at 10:00 am on Friday, August 9, 2019, in Anchorage, Alaska.

**II. Roll call**

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

Dr. Mary Ann Foland	Dr. Robert Hall	Jennifer House	Timothy Kanady
Susan Kosinski	Pam Scott	Misty Steed	

Member Vince Beltrami was excused. Member Tammi Lindsey was absent.

**III. Introduction of New Members and Guests**

Director Mitchell introduced new committee member and Carla Gee with Optum.

**IV. Approval of Agenda**

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

**V. Review of Minutes**

A motion to adopt the July 26, 2019 minutes was made by member Foland and seconded by member Kanady. The July 26, 2019 minutes were unanimously adopted by the committee.

**VI. Public Comment**

Sandy Travis – representing self

- Regarding hearing aids/services, Ms. Travis commented that the hearing disability is due to the employer's negligence to provide protection.
- Generally alleged that doctors are not following the fee schedule and are committing Medicare fraud.
- Made general allegations that the fee schedule has reduced access to care.

Barbara Williams – representing Alaska Injured Workers' Alliance

- Feels the Division needs to make more of an effort to inform the public of MSRC meetings.
- Would like to see injured workers on the committee.
- Asked who at the Board can answer questions regarding the fee schedule.
- Feels Division staff are not well enough trained on the fee schedule.

Heidi Palmer – representing Excel and Denali Physical Therapy

- Opposes 15% reduction of MAR for Physical Therapists.

- CMS does not discount Physical Therapists relative to physicians, as they do have a doctorate level education.
- This reduction reduces access to care, prevents PTs from meeting their cost per visit, and will inevitably cause PTs to stop taking Workers' Compensation patients.
- Physical therapy is as good if not better than surgery.
- Requested a carve-out for work hardening add-on and Functional Capacity Evaluation codes, which are currently defaulting to CMS allowable unit guidelines.
- Member Steed asked which codes related to Work Hardening are being affected. Ms. Palmer responded that 97545 is used for the initial two hours and add-on code 97546 is used for each subsequent hour.

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

Director Mitchell listed the outstanding items for discussion.

The committee discussed off-label use of medical services. The members decided to keep the language as proposed, but add a statement that the section would be reviewed annually.

Carla with Optum walked through the proposed changes to the 2020 Medical Fee Schedule.

The committee discussed the new language clarifying maximum allowable reimbursement (MAR). A minor change was suggested and agreed upon.

The committee discussed proposed changes to the language in Medicare Part B Drugs. A minor change was suggested and accepted by the committee.

The committee discussed the proposed changes to the language under Hearing Aids. The committee compared Alaska language with Washington. After reviewing the applicable codes, the committee assigned fees for specific hearing aid/service codes.

A motion to adopt the narrative portion of the Medical Fee Schedule was made by member Steed, and seconded by member Foland.

In response to the public comment from Heidi Palmer with Excel and Denali Physical Therapy, the committee began discussion of work hardening guidelines.

*Lunch break 12:16pm – 1:34pm*

The committee continued to discuss increasing the limit of physical therapy work hardening add-on treatments. At the will of the committee, Heidi Palmer provided additional comments, and clarified that the guidelines currently allow the initial two hours plus two additional hours, which means the Physical Therapist is only reimbursed for four hours of an eight hour program. The committee drafted language to increase the functional capacity exam reimbursement limit from 8 units/day to 16 units/day, and to increase the work hardening services reimbursement limit under CPT code 97546 from two hours to six hours. Member Steed made a motion to approve the changes to the work hardening and FCE codes as proposed. Member Foland seconded. The motion passed unanimously.

The committee discussed procedures performed out of the providers scope of practice, in response to public comment received at the June 21, 2019 meeting. The MSRC drafted language to prohibit reimbursement for treatments performed outside the medical provider's scope of practice as determined by law and the applicable regulatory board for a licensed medical provider. Member Hall made a motion to approve the draft language. Member Scott seconded and the motion passed unanimously.

The Director revisited the motion on the table to approve the changes to the narrative of the 2020 Medical Fee Schedule. The motion passed unanimously.

The committee began discussion of reductions to conversion factors and multipliers. Carla presented an interactive tool to show reduction impacts, and provided data. Carla also provided information on which CMS compliant states have a single vs multiple conversion factors. The committee stated they do not intend to move to a single conversion factor this year, but it may be a goal in future years. While reviewing the data, the committee noted that many prior year reductions have only resulted in a break-even due to CMS increases. They restated their intent to make more aggressive reductions this year than prior years.

*Break 3:30pm – 3:40pm*

The committee proposed reductions of 30% to CLAB, 10% to Lab, 28% to radiology, and 20% to surgery and 20% ambulatory surgical, rounded to the nearest dollar. Member Foland motioned to approve the proposed changes, and member Kanady seconded. Member Hall made a motion to amend the ambulatory surgery center reduction to 15%. Member House seconded. Other members voiced their opposition stating that Alaska ASCs are being reimbursed a disproportionately higher rates than the national levels and citing public comment from prior years that indicated workers' compensation is only a small percentage of ASC patients. Director Mitchell called the question to change the ASC reduction from 20% to 15%. The motion did not pass on a 4 to 3 vote, with members Foland, Steed, Scott, and Kosinski voting against and members Hall, Kanady, and House voting in favor. Director Mitchell called the question to approve the proposed reductions of 30% to CLAB, 10% to Lab, 28% to radiology, and 20% to surgery and 20% ambulatory surgical, rounded to the nearest dollar. The motion passed unanimously.

The committee discussed reductions to anesthesiology. The committee proposed a 10% reduction. Member Kanady made a motion to approve the proposed reduction. Member Foland seconded and the motion passed unanimously.

The committee discussed the schedule and agenda items for 2020. The MSRC has tentatively scheduled the following meetings in 2020: May 20, June 19, July 10, and August 7.

The next meeting is scheduled for August 23, 2019. This will be a joint meeting of the joint MSRC and Workers' Compensation Board, and will be held in-person.

*Meeting Adjourned 4:25 pm*