

**MINUTES OF THE ILLINOIS WORKERS' COMPENSATION COMMISSION
MEDICAL FEE ADVISORY BOARD MEETING
THOMPSON CENTER – 100 WEST RANDOLPH STREET, ROOM 9-034
CHICAGO, IL 60601
HELD ON NOVEMBER 12, 2014**

Present at the meeting:

Chairman Michael Latz
Diana Alvarez
Bill McAndrew
David Menchetti
Barb Molloy
Dr. Michael Vender

Participating via telephone:

Jason Keller
Dianne McGuire
Kim Moreland

Not present at the meeting:

Dr. Avi Bernstein

IWCC staff present:

Ron Rascia, General Counsel and Acting Secretary
Mike Arnold, Deputy General Counsel
Brendan O'Rourke, Executive Assistant
Susan Piha, Manager of Research and Education
Glen Boyle, Project Manager

Chairman Latz called the meeting to order at 2:00 p.m. Dr. Vender's motion to approve the minutes of the last meeting, which was seconded by Ms. Alvarez, carried unanimously.

Chairman Latz then invited discussion over outpatient procedures that do not have a CPT code. Mr. Boyle explained that he analyzed about 5600 surgical codes and found about 1600 of these codes did not have a corresponding facility code for outpatient procedures under Medicare. This is why there are no such codes under the IWCC's fee schedule.

Ms. Molloy then provided the results of her own analysis of a set of codes. In the vast majority of instances, the lack of an outpatient code was attributed to the procedure being only inpatient. For the remaining codes, she believed that further examination should be made regarding the lack of an outpatient facility code. Ms. Molloy and Mr. McAndrew then discussed the reality that hospital are moving more and more to outpatient procedures and right now the General Assembly has outpatient procedures without a code defaulted to a 53.2% reimbursement rate without any guidance on how the original charge should be determined.

Chairman Latz expressed the view that outpatient procedure facility fees should not be paid at a higher rate than equivalent inpatient procedures, and Mr. McAndrew responded that while this is sometimes the case, it is also true in other cases that insurers are simply denying all reimbursement for outpatient facility fees.

Chairman Latz next introduced the issue of the fee schedule's application to out-of-state medical providers, and he wondered if anyone had any anecdotal evidence that such providers were claiming that they could balance bill and collect contrary to the terms of the fee schedule and the Act. Mr. Menchetti stated that the fee schedule applies to out of state providers who accept money from employers and insurers in exchange for treating workers injured in Illinois or who are otherwise covered by this state's Act.

Chairman Latz suggested recommending that the Commission seek an opinion from the Attorney General. Mr. Menchetti suggested that most large insurance companies would have agreements in place with some common out-of-state providers, but that this could be an issue for some self-insured employers who do not have such agreements in place.

Mr. Boyle stated that there is another out-of-state issue worth addressing. Many times, a worker injured in Illinois moves to another state and still has to undergo treatment. Our Act requires that the lesser of that state's or Illinois' fee schedule applies. However, you would need to know where the hearing would have taken place in Illinois in order to make this calculation, and so insurers cannot use an automated process to figure out what to pay providers. A suggestion has been raised from other states' experiences just to take the highest zone and use that for a comparison. Chairman Latz stated that the Commission should look into this as a possibility, and Ms. Piha mentioned that the rule change would have to be implemented.

Chairman Latz solicited feedback regarding the recent increase in certain E&M codes and access to care issues. Mr. McAndrew stated that the Illinois Hospital Association has a new tool that will allow for the tracking payments for workers' compensation cases. Chairman Latz stated that a recent Workers' Compensation Research Institute study showed a 24% decline in medical reimbursements since the 2011 reforms. However, this still leaves Illinois the seventh highest-paying state for medical costs.

Dr. Vender then moved to adjourn the meeting, Mr. McAndrew seconded the motion, and the motion was approved unanimously.