

**MINUTES OF THE ILLINOIS WORKERS' COMPENSATION COMMISSION
MEDICAL FEE ADVISORY BOARD MEETING
JAMES R. THOMPSON CENTER, 100 WEST RANDOLPH STREET – ROOM 9-039
HELD ON MARCH 13, 2012 at 1:00 PM**

Present at the meeting were:

Chairman Mitch Weisz
Mr. John Smolk, United Airlines
Mr. Bill McAndrew, Illinois Hospital Association
Ms. Barb Molloy, Molloy Consulting
Dr. Michael Vender, Hand Surgery Associates
Mr. Jason Keller, Illinois AFL-CIO
Ms. Dianne McGuire, College of DuPage Board of Trustees

Participating via telephone were:

Mr. Glen Boyle, Project Manager
Ms. Kimberly Moreland, Rising Medical Solutions

Members not in Attendance

Dr. Avi Bernstein, The Spine Center

IWCC staff present at the meeting were:

Ms. Susan Piha, Manager of Research and Education
Ms. Kim Janas, Secretary of the Commission

Also present at the meeting were:

Mr. Patrick Gallagher, ISMS
Dr. Andrew J. Engel, MPSS
Mr. Charles Burhan, Liberty Mutual Insurance
Mr. Darren Stahulak, Corvel Corp.
Ms. Daniella Watson, Corvel Corp.
Ms. Kelly Watkins, Rehabilitation Institute of Chicago
Mr. Tim O'Brien, Rehabilitation Institute of Chicago
Mr. Michael Cherny, CMIS
Mr. Tim O'Connell, Automated Healthcare Solutions
Ms. Liz Kerr, HFN, Inc.
Ms. Terri Robinson, NCCI
Ms. Donna Kersting, Hand Surgery Associates
Mr. David B. Menchetti
Ms. Judy Larson, Rockford Orthopedic Associates
Ms. Megan Karlic, Concentra Medical Centers
Mr. Matt Hillison, Concentra Medical Centers
Mr. Michael Blixen, HFN, Inc.
Nancy Paridy, General Counsel, Rehabilitation Institute of Chicago

Chairman Mitch Weisz called the meeting order to at 1:02 pm and noted that a quorum was present. Upon motion by Dr. Vender, seconded by Mr. Keller, and unanimously carried, the minutes of the Medical Fee Advisory Board meeting held on December 7, 2011 were approved.

Chairman Weisz started the meeting by providing the board members with a legislative update. The Commission is continuing to monitor the publication of rules by the Department of Insurance implementing the Preferred Provider Programs introduced by House Bill 1698. Chairman Weisz advised the board members that when the rules are published, they will appear on the website of the Illinois Register. Chairman Weisz also updated the board on the Commission's appropriations hearings and also on the status of several workers' compensation bills pending before the General Assembly.

Glen Boyle then provided the board members with an update on the status of the Medical Fee Schedule. He stated that there was some formatting work being completed in conjunction with Ingenix. Mr. Boyle is continuing to work with the Illinois Dental Association to obtain raw data to create fee schedule for dental services. The board members discussed other possible sources for dental service data as a basis for creating this fee schedule.

The board members then discussed several other issues related to the Medical Fee Schedule, including whether there is a billing code for Independent Medical Examinations, some issues involving reimbursement of prescriptions when a provider is unable to put the National Drug Code (NDC) number on the UB 1500 reimbursement form, and the possibility of developing a fee schedule for emergency room services, which are now billed at 53.2% of charge.

The next agenda item discussed by the board was some concerns about the automatic update of codes and associated rules in the Medical Fee Schedule. Prior to the meeting, the board members were provided with a memorandum prepared by Commission staff discussing whether the changes of HB 1698 mandate the automatic application of Medicare billing rules promulgated by CMS, such as the multiple procedure modifier. After discussion by the board, Chairman Weisz noted that the board could continue to discuss this issue in its June meeting.

The board then moved on to discuss an access-to-care issues raised by the Rehabilitation Institute of Chicago (RIC). Chairman Weisz explained to the board members that the Commission had been contacted by representatives from RIC who have asked for an adjustment to the Medical Fee Schedule based on access-to-care issues. Because of the collapse of the Geozips effective January 1, 2012, RIC's reimbursements have been further reduced by 3 to 15% because RIC was now included in a new hospital region with another rehabilitation hospital, which previously had lower reimbursements rates. The result of this reduction, combined with the previous 30% reduction, could result in RIC having to refuse to accept and treat workers' compensation patients. Under the Medical Fee Schedule, rehabilitation hospitals are reimbursed under a per diem rate that varies based on the injury.

Chairman Weisz noted that Commission staff had researched potential avenues for providing relief to RIC based on access-to-care issues and had summarized that research in a memorandum presented to the board members before the meeting. The only action that the Commission may take to address an access-to-care issue is set forth in Section 8.2(b) of the Workers' Compensation Act. Section 8.2(b) states that the Commission may raise or lower the CPI-U increase or decrease for that specific field or specific geographic limitation on access to health care to address that limitation. Included within the memorandum provided to the board members was an analysis of the CPI-U adjustment that would need to be made to the specific billing codes to restore RIC to the reimbursement level before the collapse of the Geozips.

Representatives from RIC, Tim O'Brien, Nancy Paridy, and Kelly Watkins, provided additional information about the unique nature of RIC's service and also the impact on the Geozip collapse on its costs compared to reimbursement levels. RIC noted that 46 hospitals in Illinois have referred patients to RIC and also that RIC returns injured patients back to work with an average of only 5.5 physical therapy visits, when the average physical therapy utilization in Illinois is 18.7 visits.

Barb Molloy noted the quality of RIC's care, but expressed concern that there needs to be an evaluation of the degree to which there is financial harm to RIC that will cause RIC to stop treating workers' compensation patients. Ms. Molloy also expressed concerns whether making this adjustment to CPI-U pursuant to Section 8.2(b) may create a precedent for other providers seeking this type of relief based on access-to-care issues.

Chairman Weisz noted that he believed that RIC stands in a unique position because it stands alone in the nature of care that it provides to injured workers in Illinois.

Mr. Menchetti stated that there was a precedent for this sort of access-to-care request, as in 2006, a provider in the Jacksonville area petitioned the Commission for relief. However this petition became moot as the provider no longer was in business. Chairman Weisz stated that Commission staff would look into this case and how it was handled by the Commission in 2006.

After the board concluded its discussion, there was a motion by Ms. Molloy, seconded by Mr. McAndrew, and unanimously carried to recommend that the Commission take under consideration RIC's request for an adjustment of the CPI-U based on the concerns related to access-to-care subject to the Commission being provided with financial data from RIC to demonstrate its contention that access-to-care will be negatively impacted.

Next, Chairman Weisz provided the board members with a copy of an article recently published in the Wall Street Journal regarding clusters of back surgeries and implants in certain hospitals. Chairman Weisz stated that the Commission will continue to forward any relevant articles and information to the board members to keep them aware of various issues affecting the provision of medical care within the workers' compensation context.

Finally, Chairman Weisz alerted the board members of the new requirement for Open Meetings Act training, which was instituted by Public Act 97-504. All current board members have 1 year to complete this online training course. Chairman Weisz advised that the training program will generate a certificate of completion and this should be emailed or mailed to Kim Janas.

With a motion to adjourn made by Mr. McAndrew, seconded by Mr. Smolk, and unanimously carried, the Medical Fee Advisory Board adjourned at 3:00 pm.