

***Workers' Compensation
Medical Services Review Committee
Meeting Minutes
July 7, 2017***

I. Call to order

Director Marx, acting as Chair of the Medical Services Review Committee, called the Committee to order at 9:04 am on Friday, July 7, 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

Pam Scott

Misty Steed

Ross Newcombe

III. Introduction of New Members and Guests

Director Marx introduced Eric Anderson and Carla Gee of Optum and Workers' Compensation Division Administrative Officer, Alexis Hildebrand. Director Marx covered housekeeping items.

Director Marx stated that she had reached out to ambulatory surgical center stakeholders and was not able to arrange a spokesperson to attend and answer questions for the MSRC committee. The ACS stakeholders do not yet have a cohesive group but are working on forming one.

Director Marx stated that the goal of the meeting is to finalize recommendations, so that the committee can vote on recommended changes at the end of the next meeting.

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. Approval of Minutes

A motion to adopt the minutes from the June 23, 2017 meeting was made by member Foland and seconded by member Hall. The minutes were approved and adopted unanimously. Member Steed made a motion to amend adopted meeting minutes by removing a duplicative paragraph. Member Foland seconded, and the amended minutes were adopted unanimously.

VI. Fee Schedule Guidelines Development Discussion

Eric Anderson of Optum provided overview of MS-DRG and Medicare payment policy, then provided an Inpatient Analysis.

The Committee discussed updated fee schedule conversion factors and guidelines. Specifically, the committee discussed why a base rate was used, vs a percentage multiplier.

Member Steed explained that the current base rate system requires multiple calculations, both in and outside the PC Pricer Tool, which results in payers and providers coming up with different numbers. A percentage multiplier would greatly simplify the process.

Eric Anderson provided a brief overview of outlier threshold.

Break 10:04am – 10:15 am

VII. Public Comment

Leann Carothers, President of the Alaska Physical Therapist Association

- Mrs. Carothers expressed concerns about 15% rate decrease compared to physician rates for physical therapy.
- Workers' compensation references that payments should be consistent with CMS, yet CMS does not discount physical therapists relative to physicians.
- Evidence supports that PT or other non-invasive interventions result in at least as good or outcomes as surgery, if not better, and are less costly.
- Hopes that prior to implementing changes, data is presented to support that PT is the source of the high utilization of the 9700 codes.
- Provided a list of codes to Director Marx to distribute to the Committee.

Karen Norton from Providence Alaska

- Mrs. Norton expressed concerns regarding the PC Pricer Tool and the timeliness of calculation updates from CMS.

Darcy Tavares representing PACBLU

- Mrs. Tavares expressed concerns with the Hospital Inpatient Prospective Payment System

Tina King, representing Alpine Health Care

- Mrs. King recommend removal of language payment determination based on ASC or hospital outpatient rules and recommends that the MSRC should stick to one comprehensive rule for outpatient facilities.

VIII. Fee Schedule Guidelines Development Discussion Cont.

The Committee continued to discuss updated fee schedule conversion factors and guidelines. Eric Anderson of Optum iterated that using a percentage multiplier and the PC Pricer tool would solve more issues than it would create, and that the issues created would be more manageable than the issues under the current calculation system. He stated the two main issues revolve around outlier calculation and the current base rate system.

The committee agreed that the calculation methodology needs to be simplified, and that moving to a percentage multiplier may be a reasonable solution. Eric Anderson of Optum will provide additional data at the next meeting, when the committee plans to further evaluate a change in methodology.

Lunch Break 11:46am – 1:15pm

IX. Fee Schedule Guidelines Development Discussion Cont.

Eric Anderson of Optum provided a Hospital Outpatient analysis, then an Ambulatory Surgical Center (ACS) analysis.

At the invitation of the MSRC, billing subject matter expert Tina King, representing Alpine Surgery Center, provided testimony and answered questions regarding ambulatory surgical center billing.

At the next meeting, Optum will present an updated draft based on the Committee's recommendations thus far.

The next scheduled meeting is July 21, 2017. The meeting will be telephonic for those outside Anchorage.

Meeting Adjourned 2:54 pm.