



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Labor and
Workforce Development**

Division of Workers' Compensation

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August 14, 2024

Alaska Workers' Compensation Board
P.O. Box 115512
Juneau, AK 99811-5512

Dear Alaska Workers' Compensation Board,

Thank you for your continued service to the great State of Alaska. The commitment of board member volunteers is an inspiration and provides a critical function to the citizens of Alaska.

The report recommendations will maintain employee access to medical care provided through workers' compensation insurance, while improving medical cost stability and predictability to employers operating in Alaska. Thank you for taking up this important matter at your August 23, 2024, joint meeting with the Medical Services Review Committee (MSRC).

As required by AS 23.30.097(r), I formally approve the conversion factor adjustment recommendations contained in the MSRC report dated August 9, 2024.

Sincerely,

A handwritten signature in blue ink that reads "Catherine Muñoz".

Catherine Muñoz
Commissioner Department of Labor and Workforce Development

cc: Charles Collins, Director Workers' Compensation



**ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT**

Workers' Compensation Medical Services Review Committee

Medical Services Review Committee Members

Charles Collins, Chair
Jeff Moore, MD
Mason McCloskey, DC
Mary Ann Foland, MD
Jeff Gilbert
Misty Steed
Pam Scott
Valerie Mittelstead
Susan Kosinski

Schedule for 2024

Meeting dates set for this year are an in person kick off on **June 7th** in the Eagle Street location in suite 208 at 9am. Zoom meetings are scheduled for **June 28th**, at 9am and **July 19th** at 9am. On **August 9th** at 9am the meeting will be in person at the Eagle St. building. All meetings will be broadcast with Zoom and a quorum must be present for all meetings. Public comments will be taken at all meetings and recorded in the minutes.

A joint AWCB/MSRC meeting will be held in person on **August 23rd**, 2024, in the same location. The committee recommendations will be presented at this meeting.

Address is Department of Labor and Workforce Development 3301 Eagle St., suite 208 Anchorage, AK 99503.

Tentative Proposed Meeting Dates for 2025

Tentatively, I have calendared June 6, 2025, as the inaugural meeting for the MSRC, with follow up working meetings of Jun 27, July 18, August 8. The joint AWCB/MSRC meeting is currently scheduled for August 22, 2025.

JUNE

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

JULY

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

AUGUST

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Discussion Ideas

Raising awareness of the proposed changes seems to be a concern and a few items were proposed. An article to be placed in the State AMA newsletter, written by Member Kosinski, on the definitions changes and the importance of filling out the physicians' report met with approval. Adoption of layout changes to the Fee Schedule to assist in better understanding the medical reports and treatment plans also was discussed. A possible issuance of a bulletin from the Division offering training on use of the physicians' report and use of certain CPT codes is another idea.

A task of ensuring the language matches Alaska Code and Statute was entrusted to Chief of Adjudications Janel Wright, Janel will follow up the findings with Carla at Optum and the edits will be incorporated in the draft Fee Schedule.

2025 Medical Fee Schedule Changes

The single monetary change was a reduction in the multiplier for DMEPOS codes. Those are HCPCS level two codes normally associated with medical equipment and supplies. This multiplier was lowered from 1.75 times the CMS DMEPOS fee schedule for Alaska to 1.66. A historical table of adjustments included:

Alaska Conversion Factors and Multipliers for Medical Fee Schedule										
	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Medicare Part B Average Sales Price	3.375	3.375	3.375	3.375	3.375	3.375	3.375	3.375	3.375	
Clinical Diagnostic Laboratory Fee Schedule	6.33	6.33	6.33	4.43	4.43	4.43	4.43	4.43	4.43	
Durable Medical Equipment, Prosthetics, Orthotics, and Supplies	1.84	1.84	1.84	1.84	1.75	1.75	1.75	1.75	1.66	
Surgery	205.00	174.00	165.00	132.00	125.00	119.00	119.00	119.00	119.00	
Radiology	257.00	206.00	196.00	141.00	134.00	121.00	121.00	121.00	121.00	
Pathology and Laboratory	142.00	142.00	135.00	122.00	122.00	122.00	122.00	122.00	122.00	
Medicine	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	
Evaluation and Management	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	80.00	
Anesthesia	121.82	121.82	121.82	110.00	105.00	100.00	100.00	100.00	100.00	
HCPCS (RBRVS) (relative values > 0 but no AK CF; defaults to 85% billed charges)										
Outpatient Facility	221.79	221.79	221.79	221.79	221.79	221.79	221.79	221.79	221.79	
Ambulatory Surgical Center	221.79	221.79	221.79	177.00	168.00	168.00	168.00	168.00	168.00	

Stylistic and layout changes are also incorporated, with a concentration on making the document easier to read. These include colored headers, tab bars and a separation of topics by paragraph. An acronym schedule was added as an appendix to assist users with billing terminology.

