

ALASKA WORKERS' COMPENSATION
MEDICAL SERVICES REVIEW COMMITTEE MEETING

July 19, 2024

ALASKA DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
DIVISION OF WORKERS' COMPENSATION

Telephone 977-853-5247 ID 867 2796 5944

Zoom Conference <https://us02web.zoom.us/j/8672796544>

AGENDA

July 19, 2024

- 9:00 am** Call to order
- Roll call - establishment of quorum
 - Approval of Agenda
 - Approval of Minutes from June 7 and 28 meetings
 - Issues (if any) from AWCB, DWC staff or MSRC
- 9:30 am** Overview/Discussion of MSRC Fee Schedule Issues
- Any updates from Committee members
- 10:00 am** Break
- 10:15 am** Public Comment Period
- 11:15 am** Break
- 11:30 pm** Overview/Discussion of MSRC Fee Schedule Issues
- Optum updates
 - Information from public participation
- 12:00 pm** Adjournment

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

June 7, 2024

I. Call to order

Director of Workers' Compensation Charles Collins, Chair of the Medical Services Review Committee, called the Committee to order at 9:02 am on Friday, June 7, 2024. The meeting was held in Anchorage, Alaska, and by video conference.

II. Roll call

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

Dr. Mary Ann Foland	Jeffery Gilbert	Susan Kosinski	Mason McCloskey
Valerie Mittelstead	Jeffery Moore	Pam Scott	Misty Steed

III. Fee Schedule Guidelines Development Discussion

Committee members commented that no major issues were known to be tackled during the 2024 fee schedule development season. The committee briefly discussed DME Outpatient billing.

Carla Gee and Nan Orme with Optum walked through CMS conversion factor changes from the preceding year.

Break 10:15 am – 10:22 am

IV. Public Comment

Serra Fairbanks – Sedgwick

- Offered to provide medical bill data.

Debbie Ryan – Alaska Chiropractic Society

- Offered to survey providers under the Chiropractic Society asking if they treat workers' compensation patients, what percentage of patients are workers' compensation, how many request additional visits, etc.

V. Fee Schedule Guidelines Development Discussion, continued

A motion to adjourn was made by member Foland and seconded by member Steed. The motion passed unanimously.

Meeting Adjourned 11:28 am

***Workers' Compensation
Medical Services Review Committee
Meeting Minutes***
June 28, 2024

I. Call to order

Director of Workers' Compensation Charles Collins, Chair of the Medical Services Review Committee, called the Committee to order at 9:02 am on Friday, June 28, 2024. The meeting was held in Anchorage, Alaska, and by video conference.

II. Roll call

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

Dr. Mary Ann Foland	Jeffery Gilbert	Susan Kosinski	Mason McCloskey
Valerie Mittelstead	Jeffery Moore	Pam Scott	Misty Steed

III. Fee Schedule Guidelines Development Discussion

Carla Gee with Optum presented data and trends regarding conversion factors and suggested changes for the 2025 Fee Schedule.

Break 10:10 am – 10:16 am

IV. Public Comment

Debbie Ryan – Alaska Chiropractic Society

- Reported results from a survey, as noted in the June 7, 2024, MSRC meeting.

V. Fee Schedule Guidelines Development Discussion, continued

Member Kosinski moved to make the border of the 2025 Fee Schedule purple, and member Steed seconded. The motion passed unanimously.

A motion to adjourn was made by member Scott and seconded by member Foland. The motion passed unanimously.

Meeting Adjourned 11:28 am



**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.

Medical Cost Information

The analysis by National Council of Compensation Insurance, (NCCI), the state's actuary, was published in late March. This analysis is based on medical call data from Alaska in 2022. As data volume was low for hospital inpatients in 2022, the study includes 2021 data also. All Covid-19 claims were excluded.

Type of Service	(A) Impact on Type of Service	(B) Share of Medical Costs	(C) = (A) x (B) Impact on Medical Costs
Physician	-0.3%	43.0%	-0.1%
Hospital Inpatient	+0.9%	12.9%	+0.1%
Hospital Outpatient	+1.5%	14.4%	+0.2%
ASC	+0.3%	11.8%	Negligible Increase ²
Combined Impact on Medical Costs (D) = Total of (C)			+0.2%
Medical Costs as a Share of Overall Costs (E)			65%
Combined Impact on Overall Costs (F) = (D) x (E)			+0.1%

NCCI also charts workers' compensation reimbursement to Medicare schedule reimbursement as shown here:

The chart below shows the average percentage of Medicare schedule reimbursement² amounts for physician payments by category for Alaska, the region, and countrywide. Note that "all physician services" in Chart 5 below refers only to the categories listed in the chart, and the state comparison reflects Medicare's geographic adjustments. In Alaska, 92% of "all physician services" payments are included in the chart below.

Chart 5
Physician Payments as a Percentage of Medicare

Physician Service Category	Alaska	Region	Countrywide
General and Physical Medicine	162%	142%	133%
Surgery	276%	212%	250%
Evaluation and Management	187%	155%	137%
Radiology	324%	199%	219%
Anesthesia	288%	267%	290%
All Physician Services	204%	161%	160%

Comparing certain medical costs from Alaska service year 2022 to service year 2021 does show some significant impacts on medical costs.

Top 10 HCPCS BY Usage SY 2022				
HCPCS Code	Total Payments	Total Transactions	Description	Cost Per Unit
G0283	\$ 36,097.36	867	Electrical Stimulation	\$ 41.63
S9122	\$ 303,014.48	725	Home Health Aide	\$ 417.95
E1399	\$ 295,189.05	326	DME Misc.	\$ 905.49
A0425	\$ 32,590.15	321	Ground Mileage	\$ 101.53
C1713	\$ 404,602.56	164	Anchor screw for bone/bone	\$ 2,467.09
L3908	\$ 16,022.95	164	Wrist-Hand Orthosis	\$ 97.70
S9999	\$ 3,784.70	151	Sales Tax	\$ 25.06
T1019	\$ 45,167.62	143	Personal Care Services	\$ 315.86
A4556	\$ 112,588.52	134	Electrodes Per Pair	\$ 840.21
E0114	\$ 9,084.22	134	Crutches	\$ 67.79

Top 10 HCPCS BY Usage SY 2021

HCPCS Code	Total Transactions	Amount	Cost Per Unit	Description
G0283	1347	\$ 53,341.18	\$ 39.60	Electrical Stimulation
S9122	621	\$ 235,259.27	\$ 378.84	Home Health Aide
E1399	596	\$ 311,691.46	\$ 522.97	DME Misc.
T1019	468	\$ 174,040.48	\$ 371.88	Personal Care Services
A0425	213	\$ 44,739.36	\$ 210.04	Ground Mileage
S9999	203	\$ 8,886.80	\$ 43.78	Sales Tax
C1713	167	\$ 328,322.81	\$ 1,966.00	Anchor screw for bone/bone
E0114	150	\$ 10,675.78	\$ 71.17	Crutches
L3908	143	\$ 13,649.72	\$ 95.45	Wrist-Hand Orthosis
A4556	136	\$ 79,750.33	\$ 586.40	Electrodes Per Pair

For Durable Medical Equipment, such as Anchor screws, (C1713), Electrodes, (A4556), or Wrist-Hand Orthosis, (L3908). The reported cost per unit on C1713 rose by 25.5% between 2021 and 2022. Additionally, A4556 rose 43.28%, L3908 by 2.36% and S9122, home health aide rose 10.32%.

Radiology was a slightly different story.

Top Radiology Codes by usage 2022				
CPT 70010 -79999				
CPT Code	Total Payments	Total Transactions	Cost Each	Description
73030	\$ 56,925.40	513	\$ 110.97	Radiologic examination, shoulder
73610	\$ 56,520.69	512	\$ 110.39	Radiography, lower leg, foot, ankle
73110	\$ 59,390.64	444	\$ 133.76	Radiography, forearm and hand
73140	\$ 45,524.65	406	\$ 112.13	Radiologic examination, finger
73721	\$ 250,191.04	361	\$ 693.05	MRI on lower extremity
72100	\$ 41,926.99	338	\$ 124.04	Radiologic examination, wrist
73221	\$ 257,123.65	333	\$ 772.14	MRI, upper extremity joint
73630	\$ 36,516.73	331	\$ 110.32	Radiologic examination, foot
73130	\$ 36,178.87	329	\$ 109.97	Radiologic examination, hand
73562	\$ 37,927.48	324	\$ 117.06	Radiologic examination, knee

Top Radiology Codes by usage SY 2021			
Code	Transactions	Description	Cost Each
73610	434	Radiography, lower leg, foot, ankle	\$ 124.21
73110	424	Radiography, forearm and hand	\$ 133.79
73030	396	Radiography, shoulder and upper arm	\$ 117.17
73140	336	Radiography fingers	\$ 120.54
73630	329	Radiography, lower leg, foot, ankle	\$ 121.62
73562	325	Radiography, lower leg, foot, ankle	\$ 135.15
73721	324	MRI on lower extremity	\$ 806.56
73130	302	Radiography, forearm and hand	\$ 114.26
76942	302	Ultrasonic guidance for needle placement	\$ 171.55
72100	294	Radiologic examination of spine	\$ 134.44

Common CPT codes, 73610 dropped 11%, 73110 basically level, 73030 down by 5% and 73140 down just under 7%. The entire reimbursement reported for radiology declined from 2021 to 2022. While year over year we have reduced the cost slightly, the difference as a ration to Medicare is considerable higher than the nationwide average.