

**MINUTES OF THE ILLINOIS WORKERS' COMPENSATION COMMISSION
MEDICAL FEE ADVISORY BOARD MEETING
BILANDIC BUILDING, 160 N. LASALLE STREET CHICAGO, IL 60601 – ROOM N-505
HELD ON SEPTEMBER 18, 2013 at 2:00 PM**

Present at the meeting were:

Chairman Michael Latz
Ms. Barb Molloy, Molloy Consulting
Mr. Bill McAndrew, Illinois Hospital Association
Mr. Jason Keller, Illinois AFL-CIO
Dr. Michael Vender, Hand Surgery Associates

Participating via telephone were:

Dr. Avi Bernstein, The Spine Center

Not present at the meeting were:

Ms. Kimberly Moreland, Rising Medical Solutions
Ms. Dianne McGuire, College of DuPage Board of Trustees

IWCC staff present were:

Mr. Ron Rascia, General Counsel
Ms. Susan Piha, Manager of Research and Education
Ms. Barbara Bentivenga, Special Fund Counsel
Ms. Kim Janas, Secretary of the Commission
Mr. Glen Boyle, Project Manager

Chairman Michael Latz called the meeting order and noted that there was a quorum of members present. Chairman Latz asked if there were any additions or corrections to the minutes for the meetings held on March 13, 2013 and June 20, 2013. The minutes of the June 20th meeting were not previously approved because there was not a quorum at the previous meeting. There was a motion by Mr. Keller, seconded by Dr. Vender, and unanimously carried to approve these minutes.

Chairman Latz started the meeting by providing a Commission update. Three new arbitrators were appointed by Governor Quinn: Jeff Huebsch, Ketki Steffen, and Molly Wilson Dearing. In addition, Michael Brennan was also appointed as a Public member of the Commission. Chairman Latz stated that the Commission was excited to welcome all of the new appointees to the Commission. He also introduced Ms. Barbara Bentivenga to the Board. Ms. Bentivenga is an attorney and a Registered Nurse, and has joined the Commission as the Special Funds Counsel.

Next, Chairman Latz then turned to some recent news regarding workers' compensation medical costs. NCCI has reported a decrease in advisory rates effective January 1, 2014. Since the enactment of HB 1698, workers' compensation medical costs have declined 14% in Illinois, according to NCCI. The Consumer Price Index increase change for the Commission's Medical Fee Schedule will be 1.52%. The Department of Insurance has approved its first Preferred Provider Program for Dominick's. Chairman Latz stated that the Commission will monitor the impact of the Preferred Provider Programs as more employers utilize this option for the provision of workers' compensation medical care.

Ms. Janas then provided the Board with a legislative and rules report. Ms. Janas is continuing to monitor the electronic billing rule created by the Department of Insurance. In terms of legislation, Ms. Janas informed the Board that the Commission was beginning to develop its legislative agenda for the 2014 session. Veto session in Springfield is scheduled for two weeks in October and November. With the General Assembly going back in full session starting in January, Ms. Janas informed the Board that she would have more substantive updates on legislative measures once legislators started to file bill and other legislative measures.

Next, Glen Boyle provided his report to the Board. Mr. Boyle addressed three topics during his presentation: the elimination of the POC 53.2% default reimbursements in the Commission's Medical Fee Schedule, the changes to the Medicare rules for the billing of CPT code 29826, and the reimbursement levels of Evaluation and Management ("E&M") codes. First, picking up from the information presented to the Board at its last meeting, Mr. Boyle explained how he had addressed the codes in the Professional Services portion of the Medical Fee Schedule that reimbursed at 53.2% of the billed amount. Using the guidance set forth in Section 8.2 of the Workers' Compensation Act, Mr. Boyle explained that he used the Optum RVU table and historical charge information to establish conversion factors to create the new Fee Schedule amounts. Through this approach, Mr. Boyle was about to create reimbursements for 16,000 out of the 18,000 codes without a specific reimbursement rate. Not all of the 53.2% codes were able to be replaced with specific fee schedule reimbursement because the Optum RVU table is not fully updated with all necessary information. Mr. Boyle concluded this part of his presentation by recommending that the Commission adopt these reimbursements. The Board discussed these proposed reimbursements and Mr. Boyle's methodology. There was a motion by Ms. Molloy recommending that these reimbursements be adopted and posted on the Commission's Medical Fee Schedule. That motion was unanimously carried.

Chairman Latz then moved on to address the Board about issues regarding the reimbursement of implants. In particular, there appears to be an issue with supplying the invoice for the implants, which demonstrates the manufacturer's wholesale price, when the implants are purchased in bulk. Mr. McAndrew offered to share some of his research with the Commission on this issue. Chairman Latz stated he would appreciate any insight on this issue and the Commission staff would also look into ways to address these reimbursement complications.

Mr. Boyle then discussed some issues involving CPT code 29826. The issue with this code is that while the Medicare reimbursement and rules regarding the billing of the code have changed, the Commission's rule and reimbursement have not changed at all, causing confusion in terms of how this code is to be reimbursed and also causing a potential "windfall" because this code can be billed for Illinois workers' compensation purposes without the discounting rules that have been adopted in Medicare. Chairman Latz concluded the Board's discussion on this issue by stating that he would like to do some further legal research on how the Commission is able to address its reimbursement rules.

There was a motion by Dr. Vender, seconded by Mr. Keller, and unanimously carried to adjourn the meeting.