

Compliance and Regulations Newsletter

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CALIFORNIA

Bill Requiring Physicians Review PDMP When Prescribing Controlled Substances

SB 482 was signed by Governor Jerry Brown on September 27th. The bill requires a health care practitioner authorized to prescribe, order, administer, or furnish a controlled substance to consult the Controlled Substance Utilization Review and Evaluation System (CURES) database to review a patient's controlled substance history no more than 24 hours, or the previous business day, before prescribing a Schedule II, III, or IV controlled substance to the patient for the first time and at least once every 4 months thereafter if the substance remains part of the treatment of the patient.

Failure to consult the CURES database will result in providers being referred to the appropriate state professional licensing board solely for administrative sanctions, as deemed appropriate. This provision is operative 6 months after the Department of Justice certifies that the CURES database is ready for statewide use and that the department has adequate staff, user support, and education, as specified.

SB 482 exempts veterinarians and pharmacists from this requirement. The bill would also exempt a practitioner providing care to a patient in hospice care, to a patient admitted to a licensed facility for use while on facility premises, or to a patient as part of a treatment for a surgical procedure in a licensed facility if the quantity of the controlled substance does not exceed a non-refillable 5-day supply.

At the same time, checking with CURES also allows doctors to get a complete record of all prescriptions a patient has received. A person may not tell a doctor everything he or she is taking, but there will be a record in CURES. That will also identify actual doctor shopping when patients go from provider to provider trying to get multiple prescriptions for controlled substances. SB 482 will take effect the beginning of the new year.

Potential Impact

Utilizing CURES allows physicians to see the full picture of all prescriptions patients have received which will identify doctor shopping. Physicians will know which medications patients are taking whether or not they reveal this to the physicians.

[Source](#)

KANSAS

Kansas Proposed Fee Schedule to Increase Physician Reimbursements

The Kansas Division of Workers' Compensation will hold a public hearing November 18th to consider the adoption of proposed amendments to the medical fee schedule. The proposal would increase reimbursement for most physician services by 3%, change the outpatient and ambulatory surgical centers' reimbursement to a prospective payment system from billed charges, and revise fees for independent medical exams, depositions and testimony, and trauma activation levels. The proposed amendments are expected to lower costs by 0.4%, or \$2 million.

Potential Impact

Proposed fee schedule changes would increase most physician reimbursement but is expected to lower overall costs.

[Source](#)

MONTANA

Montana Labor Department Proposed Revisions to Treatment Guidelines

The Montana Department of Labor and Industry is proposing to revise rules governing medical treatment guidelines to facilitate easier updates in the future.

Five years ago, a workers' compensation bill required Montana to adopt guidelines for treatment of injured workers. After considering the Work Loss Data Institute's Official Disability Guidelines (ODG) and the American College of Occupational and Environmental Medicine (ACOEM) standards or state-specific guidelines, Montana decided to combine the two. Montana adopted Colorado's medical treatment guidelines along with portions of the ACOEM guidelines in 2011.

"There is reasonable necessity to update the Montana Utilization and Treatment Guidelines to incorporate the changes to the thoracic outlet treatment guidelines which have recently been developed by the state of Colorado," states the rule notice. "The division of the upper extremity guidelines into the thoracic outlet and cumulative trauma chapters is an editorial decision of the department, and allows the Montana guidelines to follow the update cycle of Colorado." An update has also been proposed to the shoulder injury guideline. A public hearing was scheduled for September 23rd to consider these amendments. The proposed effective date is December 1, 2016.

Potential Impact

Combining Colorado's medical treatment guidelines along with portions of ACOEM guidelines allows Montana to easily update its guidelines based on the update cycle of Colorado.

[Source 1](#)

[Source 2](#)

NEW YORK

New York Makes Retroactive Fee Schedule Changes for Podiatrists

The NYS Workers' Compensation Medical Fee Schedule (MFS) has been modified retroactively to allow qualified board-authorized podiatrists to bill for ankle surgeries.

In 2012, Article 141 of the NYS Education Law was amended to add new sections 7009 and 7010 to expand the scope of practice of podiatry to allow podiatrists to perform ankle surgery. The law was effective February 17, 2014. Therefore; the podiatry section of the fee schedule was made retroactive to February 17, 2014. The schedule now allows authorized podiatrists to bill codes 27600-27745 (excluding 27702, 27703, 27727, 27740, and 27742), and CPT codes 27760-27823, 27829, 27840-27871, and 27888-27899 when performing procedures on the ankle.

If an authorized podiatrist billed for ankle surgery after February 17, 2014, and that bill was denied based on scope of practice or lack of appropriate codes in the MFS, the time frame for timely billing has been extended 45 days from the Board's notice dated September 8th. Providers can rebill with the appropriate codes.

Potential Impact

Employers and insurance carriers may see an increase in costs due to the retroactive modification to the fee schedule which allows qualified board-authorized podiatrists to bill for ankle surgeries.

[Source 1](#)

[Source 2](#)

OREGON

Oregon WCD Updates Hospital Ratios

The Oregon Workers' Compensation Division published updated cost-to-charge ratios used to calculate rates for inpatient and outpatient hospital services.

Reimbursement rates are calculated by multiplying the total billed charges by the cost-to-charge ratio assigned to the 59 hospitals in the state. The updated ratios, which apply for services provided between October 1, 2016 and March 31, 2017, range from a low of 0.244 to 1.

Rates increased for 10 hospitals, decreased for 10, and remained the same for 39. The ratio used for out-of-state hospitals is 1.000.

Potential Impact

Oregon updates its hospital reimbursement ratios every six months and changes seems to be minimal with each update.

[Source](#)