

N E W S L I N E

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DWC Issues Notice of Public Hearing on March 11 to Revise the OMFS Hospital Outpatient Departments and Ambulatory Surgical Centers Fee Schedule

The Division of Workers' Compensation (DWC) has issued a notice of public hearing to revise the hospital outpatient departments and ambulatory surgical centers fee schedule (HOPD/ASC fee schedule).

The public hearing has been scheduled for 10 a.m., Tuesday, March 11, in the auditorium of the Elihu Harris Building, 1515 Clay Street, Oakland, CA 94612. Members of the public may also submit written comment on the regulations until 5 p.m. that day.

For services rendered before January 1, 2014, the pre-2014 Official Medical Fee Schedule (OMFS) physician fee schedule applied to all covered medical services provided, referred, or prescribed by physicians regardless of the type of facility in which the services were provided.

The OMFS HOPD/ASC fee schedule applies only to facility fees for emergency room visits performed in a hospital outpatient department and surgical procedures performed in a hospital outpatient department or ambulatory surgical center.

Facility allowances for non-surgical procedures and non-emergency room visits rendered to outpatients are determined under the pre-2014 OMFS physician fee schedule. These services include clinic services and diagnostic tests (other than tests that are payable under the OMFS for diagnostic laboratory services).

Given the outdated nature of the pre-2014 OMFS physician fee schedule and the newly adopted OMFS RBRVS-based physician fee schedule, DWC proposes to coordinate the HOPD/ASC fee schedule with the OMFS RBRVS-based physician fee schedule.

The HOPD/ASC fee schedule provides a default payment methodology and an alternative payment methodology for determining the maximum allowable amount for facility fees. Facilities may make an annual election to apply the alternative payment methodology to all of their claims.

Due to changes in licensing requirements of ASCs and the fact that the alternative payment methodology is rarely elected, the proposed amendment would eliminate the alternative payment methodology for services rendered on or after the effective date of the proposed amendments.

The notice, text of the regulations, and a RAND working paper analyzing the impacts of the proposed amendment can be found on the proposed regulations [webpage](#).

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