

N E W S L I N E

Newsline No. 69-13

October 1, 2013

[Twitter @CA_DIR](#)

[Facebook](#)

RBRVS Regulations Filed with Secretary of State, Become Effective January 1, 2014

The Division of Workers' Compensation (DWC) will begin using a resource-based relative value scale (RBRVS) based physician fee schedule in 2014, following acceptance by the Office of Administrative Law (OAL).

On September 24, the OAL filed the [Physician Fee Schedule](#) with the Secretary of State which will be published in the California Code of Regulations. The adopted Physician Fee Schedule regulations are effective January 1, 2014, and will be applicable for services rendered on or after January 1, 2014.

“These regulations will provide a more responsive framework for appropriate medical care and returning injured employees to work,” said Christine Baker, the director of the Department of Industrial Relations. DWC is a division of DIR.

“Adopting a payment schedule based on the RBRVS will increase fairness in reimbursement across the spectrum of medical services, help to reduce disputes regarding the reasonable value of medical services, and improve injured workers' access to the most needed medical services,” said Dr. Rupali Das, Executive Medical Director of DWC.

In the RBRVS-based system, relative value units interact with payment ground rules and the conversion factor to determine the maximum fee in light of the resources to provide the service. Senate Bill 863 directs DWC's administrative director to adopt a physician fee schedule based upon the federal RBRVS used in the Medicare payment system.

The Physician Fee Schedule will be updated before January 1, 2014, by Administrative Director Order, in accordance with Labor Code §5307.1(g)(2), to reflect 2014 changes in procedure codes, relative weights, and the adjustment factors in subdivision (g) (the Medicare Economic Index and any relative value scale adjustment factor), to be applicable for services rendered on or

after January 1, 2014. The Administrative Director Order will be issued as soon as possible after CMS adopts the 2014 Medicare Physician Fee Schedule final rule. CMS usually publishes the Physician Fee Schedule final rule approximately the first of November.

This RBRVS based Physician Fee Schedule will be applicable for services rendered on or after January 1, 2014, instead of the earlier OMFS physician fee schedule. The earlier OMFS physician fee schedule has not been updated with new codes and relative value units since 1999. This newly adopted physician fee schedule uses current procedure codes and relative values, and provides a mechanism for annual updates to reflect changes in coding, practice patterns, and inflation.

###