

**Division of Workers' Compensation**  
**Department of Industrial Relations**  
**Official Medical Fee Schedule**  
**RBRVS-Based Physician Fee Schedule Development**  
**DWC Forum Comment Period on "Ground Rules" Topics**

The Division seeks public input on the development of ground rules to implement a fee schedule incorporating the federal Resource-Based Relative Value Scale used in Medicare. The RBRVS-based fee schedule will set maximum reasonable fees for physician and non-physician practitioner services. The Relative Value Units in the Medicare RBRVS-based fee schedule are set in conjunction with payment or ground rules that interact to provide the maximum fee for each procedure. The Division's general approach is to adopt the Medicare ground rules, except that the Division will include payment ground rules that differ from Medicare where appropriate in light of special needs of the workers' compensation system. Many of the Medicare payment ground rules can be found in the CMS' Medicare Claims Processing Manual which can be accessed on the internet at: <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Internet-Only-Manuals-IOMs-Items/CMS018912.html> Chapter 12 will be especially relevant to the workers' compensation fee schedule.

The Division is posting for informational purposes only a comparison of ground rules under the current OMFS and the Medicare fee schedule for physician services (MPFS). The comparison provides a high-level overview of rules that are relevant to the workers' compensation system but it should not be viewed as an exhaustive or definitive comparison. The Division invites public input on these rules as well as other topics where a ground rule may be needed. Where a commenter suggests adopting a rule that diverges from the Medicare payment ground rule in order to accommodate the special needs of workers' compensation, it would be most helpful if the comment is supported by data or citation to a research study or other evidence to support the need for a specialized rule. In addition, the Division invites pricing suggestions for WC-covered services that do not have relative values under the MPFS.

Please keep in mind that Labor Code section 5307.1, as amended by Senate Bill 863, provides that the maximum reasonable fees shall not exceed 120 percent of the estimated annualized aggregate fees prescribed in the Medicare payment system for physician services as it appeared on July 1, 2012. This provision must be taken into account in evaluating how to accommodate the adoption of ground rules which diverge from Medicare. For a service that is not covered under Medicare, Labor Code section 5307.1 provides that the Administrative Director shall establish a maximum fee, provided that the fee shall not exceed 120 percent of the fees paid by Medicare for services that require comparable resources.

Issues of reasonableness, necessity, frequency and duration of treatment are determined in accordance with Labor Code section 4600, and the Division will not be adopting Medicare to govern those issues.