STATE OF CALIFORNIA Arnold Schwarzenegger, *Governor*

DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION
1515 Clay Street, 17th Floor
Oakland, CA 94612

Official Medical Fee Schedule – Physician Fees – Draft Conversion Factors for Pre-Rulemaking Public Comment

The Division of Workers' Compensation is publishing draft physician fee regulations on the DWC internet Forum for public discussion prior to formal rulemaking. For services other than anesthesia, the current draft regulations suggest conversion factors that will transition from three conversion factors to one conversion factor over a period of four years, maintaining overall budget neutrality each year. In the fourth year there would be a single budget neutral conversion factor for all but anesthesia. The anesthesia service category, which has a different relative value methodology, maintains one budget neutral conversion factor for that section ($33.9815143289).

There are two tables below. The first shows the proposed conversion factors. The second table shows the percent by which the various conversion factors increase or decrease each year of the transition.

Conversion Factors For medical treatment services other than anesthesia:

	Surgery	**Radiology**	**All Other**
For services rendered on or after October 1, 2010	53.12508522	59.5335055	40.70478871
For services rendered on or after October 1, 2011	49.9375801	53.5801549	42.50707112
For services rendered on or after October 1, 2012	46.9413253	48.2221394	44.16981332
For services rendered on or after October 1, 2013	45.14766194	45.1476619	45.14766194

Percentage Change in conversion factors over 4 Year Period, by Service Category

	Surgery	**E & M**	**Radiology**	**Pathology**	**Medicine (Overall)**	**Physical Medicine**	**Manipulative Treatment**	**Other**	**Special Services**	**Anesthesia**
Year 1	-6.0%	5.0%	-10.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	0.0%
Year 2	-6.0%	4.4%	-10.0%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	0.0%
Year 3	-6.0%	3.9%	-10.0%	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%	0.0%
Year 4	-3.8%	2.2%	-6.4%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	0.0%