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Critical 2007 Issues

The COA Board of Directors met in San Diego on February 15, 2007. With respect to Workers' Compensation, there was some good news and some not so good news. The good news is that, effective February 15, 2007, the Division of Workers' Compensation has implemented increases to the reimbursement rates for ten Evaluation and Management codes for new and established patients. See Page 9 of this newsletter for more specific information on the increases. COA sought similar increases for consultation codes, however, the Division responded that adjustments to consult and other codes would be considered during the broader fee schedule update discussions expected later this year.

COA's testimony on these E&M increases clearly stated that this interim increase was appreciated, but is not sufficient to cover the additional overhead costs of treating injured workers. The Lewin Group report had called for an



Larry Herron, M.D., President

across-the-board 28% increase for all E&M codes to compensate physicians for the additional costs. COA also believes that the discounts required by some insurers to belong to their medical provider networks need to be done away with.

The not so good news is that the Division also implemented, as of March 1, 2007, reduced reimbursement for repackaged pharmaceuticals dispensed in physicians' offices. For more details as to how repackaged drugs will be reimbursed, see Page 9 of this newsletter. (Continued on Page 2)

COA's 2007 Annual Meeting/QME Course and Update on <u>Select WC Medical Provider Networks</u> April 12-15, 2007—Portola Plaza Hotel, Monterey

Join us at the meeting to learn about:

- Why <u>Select</u> WC MPNs are the future of quality care in the Work Comp system
- Increases to the Official Medical Fee Schedule—Evaluation and Management services
- Evaluating your practice to see how you can set up quality indicators to evaluate your practice and how payors measure quality care
- Creative solutions to ER on-call issues
- Treatment for upper extremity injuries
- Improving your communication skills and increase patient satisfaction

A summary of the meeting agenda can be found on Page 3 of this newsletter. Call the COA office to register for the meeting —916-454-9884. Also, we invite your office manager to attend the COA meeting and the CA BONES meeting on Friday, April 13. **Register by March 15 and receive \$150 discount on registration fees.**

President's Column (continued from Page 1)

The Board also discussed a **Standard of Professionalism** (SOP) currently under consideration by the AAOS regarding emergency room call and the care of indigent patients. This SOP would require orthopaedic surgeons to take mandatory ER call and contained the following statements:

- 1. Orthopaedic surgeons will care for injuries to patients in his community.
- 2. An orthopaedic surgeon will take a fair share of ER call to meet community needs.
- 3. An orthopaedic surgeon will provide or arrange follow-up care.
- 4. An orthopaedic surgeon will not engage in "dumping" of injured patients.

COA's Board of Directors was adamantly opposed to this SOP as it would require orthopaedic surgeons to take call regardless of whether the hospital paid you for your services. Hospitals would have little incentive to pay ER call stipends. You could be reported to the AAOS by a colleague for violation of these minimum standards, possibly resulting in expulsion from the Academy. Orthopaedic surgeons would be condemned to involuntary servitude. COA is sending a letter to the Academy voicing our strong opposition to this SOP.

2007 is the year of health care reform. COA's Task Force on Health Care Reform, chaired by Leslie Kim, M.D., has analyzed proposals by the Governor, the State Senate, the State Assembly, and the California Medical Association. The Task Force presented Board members with a "Position Statement" recommending COA positions on key components of the reforms. Their recommendations included:

- 1. Support an individual mandate to take responsibility for their health care by being required to obtain health insurance, individually or through an employer-sponsored plan.
- 2. Preserve a physician's ability to bill patients for bills not paid by their health plan.
- 3. Establish a uniform, well-defined minimum benefit program which would include preventive and catastrophic coverage. Preventive services would include immunizations and diagnostic screening tests.
- 4. Individuals should be able to select additional optional health care coverage at an affordable rate.
- 5. Coverage should be portable and without penalty for pre-existing conditions.
- 6. Any system must be patient-centered, facilitating the physician-patient relationship focusing on providing care in a safe, effective and timely manner.
- 7. The system must have "broad-based" funding and not include a tax on providers or hospitals. Financing should be shared equally by all Californians. It should be affordable and sustainable.
- 8. Cost containment must include insurance reform which should include a cap on carriers' administrative costs and profits.
- 9. Any mandate on physicians to implement an elec-

People in the News

Thomas Barber, M.D. of Oakland, in a contested race, was elected Secretary-Treasurer of the AAOS Board of Councilors.

New COA Board of Directors Members Are Elected:

- Chris Wills, M.D. of Orange representing the Orange District. Dr. William McMaster withdrew his name after learning that Dr. Wills was interested in the position.
- Bruce van Dam, M.D. of La Jolla representing the San Diego District.
- Jan Henstorf, M.D. of Fremont and Michael Klassen, M.D. of Monterey representing the Northern California District.
- George Balfour, M.D. of Van Nuys representing the Los Angeles District.

Former State Senator Joe Dunn from Orange County has been named California Medical Association's new Chief Executive Officer.

tronic medical record system must be funded by tax credits, grants, or low cost loans for physicians.

- 10. "Pay for Performance," if implemented, must measure true quality care as determined by physicians and not be used solely for cost containment.
- 11. Not allow non-physician health care providers to practice beyond their scope of training and licensure.
- 12. Physician reimbursement rates must be actuarially sound and reflect the cost of providing the medical care.

COA's "Positions on Health Care Reform" is still a work in progress and we welcome your comments and suggestions on these and other critical provisions. Our positions will be refined as the legislative discussions move forward. The Board's hope is that with this position statement, we will help to proactively shape health care reform and have a voice or seat at the table in this discussion. If you would like a copy of the COA health care reform principles, go to COA's website: www.coassn.org or fax a request to the COA office—916-454-9882.

Finally, I hope to see you at the **2007 Annual Meeting/QME** course in Monterey, April 12-15. It will be an informative meeting that will discuss issues that have a direct impact on your practice.

Larry Herron, M.D. President

Overview—2007 Annual Meeting/QME Course

and An Update on Select Workers' Compensation Medical Provider Networks

Thursday, April 12-Sunday, April 15

Portola Plaza Hotel-Monterey

Thursday, April 12, 2007

An Update on Select Workers' Compensation Medical Provider Networks

Moderators: Glenn Pfeffer, M.D. and Jill Dulich of Marriott Corporation/California Self-Insurers Association

This is an <u>unprecedented course</u> in which employers, adjusters, and nurse case managers will come together with orthopaedic surgeons to discuss how we can facilitate the formation of <u>Select</u> Workers' Compensation Medical Provider Networks. These select networks already exist and provide high reimbursement and low utilization for the hand-picked orthopaedic surgeons who participate. Learn what it takes to be chosen. Select networks are the future of high quality work comp care in California and will be beneficial to injured workers, employers, and orthopaedic surgeons. Attend this course to learn what skills are needed to be part of this new and evolving system.

- Advantages of Select MPNs—High Fees and Low Utilization & Good Care Is a Dual Work Comp Healthcare System Developing?
- MPN Models for Quality and Efficient Care
- How Self-Insured Employers and Workers' Compensation Carriers are Forming Select MPN Networks
- Managing a Workers' Compensation Claim Working with Nurse Care Managers/Claims Administrators
- Communication is Key to Effectively Working Within the Workers' Compensation System—Improve your Communication Skills and Increase Patient Satisfaction
- Cultural Differences Important to Effective Treatment
- Good Communication Involves Concise Reporting: Basic Skills in Writing Treatment Reports
- Efforts of the Division of Workers' Compensation to Refine and Improve the Workings of the System

Friday, April 13, 2007

Optional Educational Sessions

8:00 am—11:00 am	Cash Flow Analysis/Recovery of Self-Pay Accounts and Non-Responsive Insurance Carrier Claims-
	Workers' Compensation and group health—Green Flag– Profit Recovery by Transworld Systems
8:00 am—11:00 am	Class IV Laser Therapy for Neuromuscular Disorders—K-Laser/Central Orthopaedics
8:00 am—11:00 am	Frivolous Lawsuits and Asset Protection– What's Your Game Plan? - National Medical Foundation
8:00 am—11:00 am	Developing the Modern Ambulatory Surgery Center—Physician-Owned Surgery Centers
8:00 am—11:00 am	Increasing Profitability and Tax Efficiency for Orthopedic Surgeons—The Ortho Funding Group
8:00 am—11:00 am	Retirement Strategies for California Private Practice Physicians- CA Physicians' Retirement Strategy

QME Course Part I Moderator: Peter J. Mandell, M.D.

- New AMA Guides, 6th Edition—Lower Extremity Impairment Chapter
 - How was it done? What will be new? What will be retained?
- Treatment Guidelines for Workers' Compensation
 - Where are the ACOEM Guidelines? How can ACOEM be Improved?
 - What evidence is there that Musculoskeletal Guidelines Result in Improved Patient Outcomes?
- DWC Update Are There Enough QMEs? Is the DWC Concerned About Utilization Review Problems?

Annual Meeting Program Chair: Lisa Lattanza, M.D.

Comprehensive Update on Elbow Trauma

- Peri-Articular Plates for Distal Humerus Fractures
- Olecranon Fractures
- Radial Head Fractures: Fixation or Replacement
- Fracture/Dislocation-Point -Counter -Point Viewpoints To Ex Fix or Not Repair vs. Reconstruction of Ligaments
- ORIF vs. TEA in the Elderly
- Long-Term Complications: Heterotopic Ossification PLRI

Physician Performance Indicators-What Constitutes Quality Orthopaedic Care? Moderator: Kevin Bozic, MD, MBA

- How Medicare is Measuring Quality: Reporting and Health Scorecard
- How Private Payers Measure Quality
- Orthopaedists Should Establish Their Own Quality Standards -How to Implement Performance Indicators in your Practice: Key Data Points to Collect

Legislative/Regulatory Update: Roundtable Discussion—Proposals Directly Affecting your Practice Presidential Reception—with special local and international wines and food pairings

Overview — Annual Meeting/QME Course (continued from Page 3)

Saturday, April 14, 2007

Annual Meeting Upper Extremity Care for the General Orthopaedist Moderator: Ed Diao, M.D. **Current Trends in Arthritis Management** Distal Radius Fractures-"What's New, What's Not, What Works" • Nerve Entrapment and Injury Proximal Humerus Fracture—"When to Repair and When to Replace" Tumors of the UE for the Generalist Tales from the Crypt: Orthopaedic Lessons from a 2,000 Year Old Mummy Amy Ladd, M.D. **Resident Awards** Lloyd W. Taylor, M.D. Resident Award **Orthopaedic Hospital Resident Award OREF** Resident Award **Depuy Resident Award** Creative Solutions to the "On-Call" Crisis Moderator: Richard Barry, M.D. In-Office Urgent Care Centers: Are They an Option for your Group? Can They be Integrated into an ASC? The Carriers' Perspective Golf Tournament at The Links at Spanish Bay/Golfer's Brush Up Clinic Moderator: Steve Moore, M.D. Presidential Gala Dinner-Monterey Bay Aquarium Sunday, April 15, 2007 **COA Business Meeting** Town Hall Meeting—Open Mike with COA Leaders **Annual Meeting Communication with All Your Patients** Moderator: Ramon Jimenez, M.D. **QME Course Part II** Moderator: Peter J. Mandell, M.D. Ask the Experts Bring your interesting/tough cases for a Grand Rounds style discussion Update on the Evaluation and Treatment of Plantar Fasciitis SB 899—Has the Fog Begun to Lift and are the Answers Clearer Now? 1:45 pm Adjournment of Annual Meeting/QME Course Public Forum Moderator: Ramon Jimenez, M.D. 3:00 pm—5:00 pm "Feeling Young and Staying Active: Taking Care of Your Bones and Joints"

Boomeritis—Bone and Joint Injuries in the Boomer Population Total Joint Replacement Backing your Good Health Osteoporosis Carpal Tunnel Syndrome

Medicare News

COA has received several inquires regarding the new Q codes for Hyaluronan injections. COA members have complained that carriers, who previously paid over \$100 for these injectables, started reimbursing only \$19-\$40 for the injectables beginning in January 1, 2007. The offices are correct, carriers have been incorrectly paying for these allowables. Blue Cross has acknowledged the error and indicated that they will reprocess claims submitted under your tax ID since 1/1/07 if you call and raise the issue with them. They say they will reprocess the claims and send you the additional reimbursement without you having to resubmit each claim. We would expect that other carriers will follow suit, but you will likely have to call and ask that they reprocess your claims. Thanks to Beverly Titus of Sierra Pacific Orthopaedic & Spine Center Medical Group of Fresno for letting us know that Blue Cross has agreed to reprocess these claims. Please let COA know if carriers continue to incorrectly reimburse for these injectables.

In addition, we are reprinting this below article from the BONES Society Legislative & Regulatory Update Newsletter, January, 2007, to assist you in understanding these coding changes. Private carrier reimbursements may be slightly different.

Medicare makes last minute fix to Hyaluronan injection code quandary

As of January 1, 2007, orthopaedic practices were worried that they might lose money on higher-cost drugs such as Synvisc and Orthovisc, because those injectables would have to share the same new J-code (J7319) with lower-priced drugs Supartz and Hyalgan. But in the first quarterly Medicare drug fee schedule for 2007, released December 18, code J7319 was gone, replaced with the four Q codes and fees that appear to match what you got in 2006 for these drugs. Here are the new codes and the 2007 fees:

New Q codes for Hyaluronan injections According to the Medicare ASP + 6% drug fee schedule for the first quarter of 2007, here are the codes and fees to use for Hyaluronan injection of drugs.					
Code	Short Description	Amt	2007 Fee		
Q4083	Hyalgan or Supartz, inj	PER DOSE	\$105.56		
Q4084	Synvisc, inj	PER DOSE	\$198.09		
Q4085	Euflexxa, inj	PER DOSE	\$115.15		
Q4086	Orthovisc, inj	PER DOSE	\$200.54		

Private payers may not immediately use Q codes.

Orthopaedic coders are breathing a sigh of relief that at least their Medicare fees for the drugs won't be cut. But private payers may not be so quick to embrace the hastily released Q codes, some practices say.

Part of the problem: J7319 is still listed as an active code on official HCPCS code lists on the CMS site and the 2007 HCPCS code book, while the new Q codes are not yet included. This could cause a problem with your private payers.

Tip: Practices are either going to have to be proactive with payers and ask if they have Q or J codes, or go the route of billing trial and error with either code set.

Practices will also want to make sure to track Hyaluronan injection claims on the back end to make sure all payers loaded the codes and fees properly. Medicare issued the codes in its December 22 emergency update to the 2007 physician fee schedule (Transmittal 1143), and instructed carriers to load the Q codes manually.

To download the ASP + 6% drug fee schedule with the O codes and fees, visit: 1st Quarter 2007 ASP fee schedule. To download Transmittal 1143 with instructions to carriers to use the new Q codes, go to: Medicare Transmittal 1143. For more information, contact the BONES office at: 800-247-9699.

Reprinted from the BONES Society Legislative & Regulatory Update—January, 2007.



Transworld Systems[®]

Your Patients Deserve a Speedy Recovery... Don't You?

Would you agree that with rising costs and lower reimbursements, you have to see more patients just to earn the same money? Obviously, it becomes increasingly important to get paid by patients. Would you also agree that once you've billed a patient 3 times the likelihood of getting paid on a 4th, 5th or 6th bill seriously decreases? Do you normally relinquish 30+% to third parties if and when they collect your money?

An alternative to traditional collection agencies, GreenFlag Profit Recovery by Transworld Systems is your solution! We believe it is better to provide diplomatic contacts at earlier stages of delinquency rather than employing harsh tactics on older accounts. We have proven this to 20,000+ medical practices and 325+ hospitals around the country. We improve their cash flow and streamline their office efficiency by recovering past-due accounts *without charging a percentage*, without touching their money, and without damaging their valuable patient relationships.

After your in-house collection attempts are ignored, GreenFlag will contact patients, as well as Insurance Companies, Workers Comp, on your behalf and remind them of their obligation to pay. We motivate them to pay you directly or contact you to make arrangements and to stop ignoring your letters and phone calls.

Other GreenFlag benefits include:

- Real-time online access to your account status at no additional cost
- Low fixed fees (averaging \$10 per debt) regardless of balance size (NO PERCENTAGES!)
- No initiation fees or startup costs
- Choice of diplomatic or intensive contacts on a case by case basis
- Complimentary thank you letters sent to paid accounts
- Patients pay you directly, giving you more control and more information
- Personal account executive trained in A/R management helps you maximize recoveries and provides ongoing customer service
- Successfully speed up response on non responsive Insurance Claims and Workers Comp

How much time and money do you or your staff spend trying to get paid for the services you provide? If you're interested in saving time, cutting operating costs, improving cash flow, and reducing write-offs and collection costs, call me and I'll provide you with a free consultation and recommend a customized solution for your practice. I'll also show you actual results from other medical clients.

Look for me at the COA 2007 Annual Meeting in Monterey and ask about exclusive member pricing.

Cheryl Wilson Senior Consultant/Medical Division (925) 251-0456 ext. 24 off (209) 480-6293 cell Email: cheryl.wilson@transworldsystems.com

WC Resource Center

The COA provides its members with this Resource Center to identify organizations that can assist them in performing evaluations utilizing the AMA Guides –5th Edition. This newsletter focuses on services offered by Brigham & Associates. Other resources can be found on COA's website: <u>www.coassn.org</u> By being listed in this center, it in no way implies a COA-endorsement of the service. Contact the organization directly for more information on their services.



Dear COA Colleague:

As colleagues who are also very involved in workers' compensation in California, we appreciate the challenges and complexities of assessing permanent impairment. We appreciate the relationship that we have with the California Orthopaedic Association and our ability to provide you member discounts. We are excited to introduce excellent new resources that will assist you in accomplishing accurate impairment evaluations and are confident that you find these resources of great value in your practice – enhancing quality, efficiency and your success. In this message we are providing you with information on:

- Physical Examination Essentials DVD AMA Guides required examination techniques
- GuidesIQ online AMA *Guides* instruction
- IME Templates
- IME Tools
- Exemplary Reports

You can also view this information online at www.impairment.com/special/coa.htm

Physical Examination Essentials DVD - www.guidesdvd.com

This resource was developed in cooperation with the COA and features two of your members, Peter Mandell, MD and Vert Mooney, MD. Do you know how to perform the examinations exactly as specified in the AMA Guides? Most physicians do not. These skills are absolutely essential. As a physician - are you certain that you are performing the evaluation as required?

In this new DVD learn from the experts how to perform a required impairment evaluation physical exam. All physicians and reviewers of reports must be knowledgeable of this content which is superbly demonstrated by experienced clinicians, step-by-step. Principles are explained and the required examinations are demonstrated.

As a result of viewing this program you will be able to perform:

- Spinal Inclinometry per the Guides
- Extremity evaluation per the Guides
- Accurate neurological evaluation per the *Guides* including 2 point and monofilaments and much more.

You will see appropriate examinations demonstrated by experts, including Christopher R. Brigham, MD, Peter J. Mandell, MD, Vert Mooney, MD, Craig Uejo, MD MPH and Amy Viehmann, PT. This is a necessity for anyone involved in performing physical exams or reviewing impairment reports. Go to <u>www.guidesdvd.com</u> to receive a special \$70 discount enter coupon code 293252. If you need examination instruments visit <u>www.imetools.com</u>

Guides IQ – www.guidesiq.com

Learn the AMA *Guides* on your schedule, at your pace, and according to your needs – without the high costs associated with being away from your office to attend a *Guides* seminar. *Guides* IQ on demand AMA *Guides* training contains nearly 60 modules of training on the *Guides* – the equivalent of 3 to 4 days of seminars. The feedback has been superb.

Weekly Impairment Tips

By Brigham & Associates

Radiculopathy

This week's impairment tip is courtesy of Kenneth Subin, MD, MPH, CIME, one of our senior physician reviewers.

The preferred methodology in the AMA Guides 5th ed. for rating impairment of the spine is the Diagnosis- Related Estimate (DRE). Table 15-3, Criteria for Rating Impairment Due to Lumbar Spine Injury, Table 15-4, Criteria for Rating Impairment Due to Thoracic Spine Injury, and Table 15-6, Criteria for Rating Impairment Due to Cervical Disorders, outline the five applicable categories and impairment ranges based upon historical, physical examination, and other clinical findings. Box 15-1, Definitions of Clinical Findings Used to Place an Individual in a DRE Category, on pages 382-383, contains essential definitions of clinical findings to help assess the proper placement of an examinee in a DRE category.

In our experience, after reviewing thousands of reports over the past years, the diagnosis of Radiculopathy presents one of the more challenging concepts when determining the correct DRE placement. The Guides define Radiculopathy as a "significant alteration in the function of a nerve root or nerve roots and is usually caused by pressure on one or several nerve roots."

The most important clinical components required to support the diagnosis of a compressive Radiculopathy include:

- Pain, numbness, and/or paresthesias in a dermatomal distribution.

- An imaging study documenting correlating concordant nerve root pathology.

- Associated clinical findings such as loss of relevant reflexes, muscle weakness and/or atrophy of appropriate muscle groups, loss of sensation in the corresponding dermatome(s).

Electrodiagnostic studies are helpful in supporting the diagnosis of a compressive radiculopathy but are not required, and do not substitute for imaging studies

> Impairment Tip Archives at: www. impairment.com/tips Impairment Tools at: www. impairment.com/tools Online AMA Guides training at: www.guidesiq.com

WC Resource Center (Continued from Page 7)

Weekly Impairment Tips

By: Brigham & Associates

Patellofemoral Arthritis

Question: My patient has patellofemoral knee pain but the joint interval on x-ray looks normal. Does the patient have a ratable impairment?

Answer: Possibly. Although Table 17-31 on page 544 of the Guides indicates that a cartilage interval of 2 mm or less is required for a ratable impairment for knee arthritis, do not overlook the footnote that states a 5% lower extremity impairment can be given if there is a history of direct trauma AND complaints of patellofemoral pain AND crepitation on exam. All three conditions must be met and documented to support your rating. Direct trauma requires a forceful contusion to the anterior knee over the patella. Crepitation is a common finding as we age and may be unrelated to the injury.

Apply Table 17-2 on page 526 to determine what arthritic impairment it can be combined with; it cannot be combined with gait, muscle atrophy, muscle strength, or abnormal motion.

Don't forget to order your sunrise view x-ray at 40 degrees of flexion or a true lateral view of the knee to assess the patellofemoral joint.

Spinal Degenerative Disease

<u>Question:</u> In rating spinal impairment, should I use the range of motion method if there are findings of multilevel degenerative disc disease?

Answer: Not necessarily. As explained in Section 15.2, Determining the Appropriate Method for Assessment (5th ed, 379-381), the Range of Motion (ROM) method is used in certain situations. On page 380, at the top left, indication 2 states when there is multilevel involvement in the same spinal region (eg, fractures at multiple levels, disk herniations, or stenosis with radiculopathy at multiple levels or bilaterally). On the same page at the bottom right, item 4 provides further clarity stating to use the ROM method if there is radiculopathy bilaterally or at multiple levels in the same spinal region. However, the ROM method is not used merely for degenerative disk disease and effects thereof, including disk bulges and herniations that show on imaging, but without radiculopathy by history, physical exam, or EMG. In the May-June 2001 Guides Newsletter, Robert Haralson, III, MD, the Spine Chapter Chair, and Dr. Brigham clarified this point stating, This refers to disk herniations with radiculopathy at multiple levels or bilaterally or spinal stenosis with radiculopathy at multiple levels or bilaterally. . . disk herniations are commonly seen among asymptomatic individuals, and these findings alone may not be significant. (Guides Newsletter, May - June

(continued on Page 9)

Members pay an annual subscription fee and can access whenever they want (multiple-user discounts available). Please visit <u>www.guidesiq.com</u> for a **complimentary 40 minute video demonstration on the rating of carpal tunnel syndrome** – and a brief overview of all of the content *Guides* IQ has to offer: 5th edition training modules, demonstration on proper examination techniques, a self-assessment, epublication library, forums to discuss current issues continuing medical education and QME recertification credit, and much more! Go to <u>www.guidesiq.com</u> and if you register by March 31 and enter coupon code 293253 you will receive a \$200 discount for an annual membership.

IME Template - www.imeformkit.com

Would you invest an amount less than the revenue derived from a single independent medical evaluation for a process that will greatly simplify the task of performing all your future IMEs (AMEs/QMEs) and increase your profitability? ABSOLUTELY. This may be the easiest decision you will ever make. We are offering this system at the request of so many of our colleagues. This unique, comprehensive system for preparing IME reports empowers you to make the most effective use of your time, enhances the value and quality of your evaluations dramatically, and increases the demand for your premium valued services. Visit <u>www.imeformkit.com</u> for further information on all of the templates and forms provided.

Interested in learning more on how to use tools and technology to propel your practice to a new level of success and profitability? Participate in our upcoming unique web-based work-shop series – a transformational event – visit <u>www.imeworkshop.com</u>. With enrollment in this series you also receive IMEFormKit and IMEIndex. Register early since this program has limited registration.

Exemplary Report – www.exemplaryreport.com

Numerous physicians have asked for examples of high quality reports. We are now soliciting submissions of such reports to our new publications series. If your report is accepted you will be cited as a contributor and receive a free copy. Visit <u>www.exemplaryreport.com</u> for further details.

Weekly Impairment Tips

To receive our free, highly acclaimed weekly impairment rating tips, subscribe at <u>www.impairment.com/subscribe</u>. Past tips can be viewed at <u>www.impairment.com/tips</u>

Questions and Answers

Have you ever had a quick question about impairment assessment and needed an answer? We now have resource to fulfill that need. Ask your impairment question at <u>http://www.impairment.com/question</u>

We appreciate the opportunity to be of service and will continue to develop resources designed to enhance the success of your practice. If you have any questions please contact Mindy Brigham, Director of Marketing and Communications (619-299-7377, 888-262-1202, <u>mbrigham@brighamassociates.com</u>

Best wishes,

Christopher R. Brigham, MD, CIME, FAADEP, FACOEM Brigham and Associates

Worker' Compensation—News of Interest

GOOD NEWS

Increase in Reimbursement for 10 Evaluation and Management Codes

Effective February 15, 2007, the Division of Workers' Compensation has announced an <u>increase in reimbursement for new or estab-</u> <u>lished patient Evaluation and Management Codes</u> for Workers' Compensation patients as follows:

New Reimbursement		
	Amount	
New Patient C	odes	
99201	\$39.90	Increased 3.6%
99202	\$70.19	Increased 21.4%
99203	\$103.86	Increased 35.8%
99204	\$146.12	Increased 33.3%
99205	\$186.73	Increased 28.5%
Established Pa	tient Codes	
99211	\$23.81	Increased .05%
99212	\$42.02	Increased 17.7%
99213	\$56.93	Increased 19.6%
99214	\$89.57	Increased 24.0%

Please notify your billing office of the increase.

\$129.41

99215

These increases are intended to increase reimbursement for these codes to, on average, 2007 Medicare rates.

Increased 17.1%

COA supported these increases and sought similar increases for consultation codes which are currently reimbursed at just slightly above Medicare rates. The Division responded that adjustments to these codes will be considered in future fee schedule updates.

In addition, COA's testimony thanked the Division for this interim increase, however, we were clear that this interim increase does not adequately compensate physicians for the additional costs of treating injured workers. The Lewin Group report found that it costs 28% more to treat injured workers. We will be continuing to push for additional increases to all E&M codes.

The DWC final regulations can be found at: <u>http://www.dir.ca.gov/</u> <u>dwc/DWCPropRegs/OMFS_tableA/OMFS_TableA.htm</u>

Questions can be directed to the COA office: 916-454-9884.

(Workers' Compensation News continued on Page 10)

Reimbursement for Repackaged Pharmaceuticals

The Division of Workers' Compensation has finalized regulations establishing reimbursement rates for repackaged pharmaceuticals dispensed from a physician's office. As of March 1, 2007, the reimbursement rates will be at the Medi-Cal rates plus the Medi-Cal professional dispensing fee. For a pharmacy service or drug not covered by a Medi-Cal payment system, (e.g., repackaged medications) the maximum reasonable fee shall not exceed the drug cost (based on the National Drug Code for the underlying drug product in the Medi-Cal database or if not in the Medi-Cal database, 83% of the average wholesale price of the lowest paid therapeutically equivalent drug) as defined by the regulations plus a \$7.25 professional fee for dispensing or \$8.00 if the patient is in a skilled nursing/ intermediate care facility. These regulations apply only to pharmaceuticals dispensed to injured workers.

The regulations are intended to close a loophole created by Workers' Compensation legislation passed in 2003 that allowed higher reimbursement rates for repackaged pharmaceuticals dispensed from a physician's office than those paid to pharmacies dispensing the same medication.

The final DWC regulations can be found at: <u>http://</u> www.dir.ca.gov/dwc/DWCPropRegs/ <u>OMFS_Pharmaceuticals/</u> <u>OMFS_Pharmaceuticals_regulations.htm</u>

The calculator to determine the Medi-Cal rates can also be found at this site. Contact the COA office 916-454-9884 with any questions.

Weekly Impairment Tips

(continued from Page 8)

Spinal Degenerative Disease

2001, 10). Thus the key feature is the presence or absence of radiculopathy. Radiculopathy means symptoms, physical findings, and electrodiagnostic abnormalities (if such testing is performed) consistent with nerve root impingement or dysfunction. The symptoms may be pain, numbness, and/or tingling in distribution of the nerve root, with weakness of the limb. Physical findings are weakness of the involved myotome, diminution in or loss of the corresponding deep tendon reflex, numbness of the appropriate dermatome and, in the case of the lumbar spine, positive root tension signs.

Unequivocal electrodiagnostic evidence of acute nerve root pathology radiculopathy) includes . . . multiple positive sharp waves or fibrillation potentials in muscles innervated by one nerve root. (5th ed, 382) Without radiculopathy, imaging changes other than fracture are insufficient to produce an impairment. The common increasing prevalence of degenerative changes with age, including disk herniations, is discussed on page 378 in Section 15.1b, Description of Clinical Studies.

Workers' Compensation News

DWC Releases Medical Access Study Results

According to a DWC press release, UCLA researchers interviewed 1,200 randomly selected injured workers and 1,200 medical providers to gauge post-reform access to care. The survey also included a "representative sample" of workers' compensation insurers, self-insured employers and third party administrators.

Results of the study show that the vast majority of injured workers are getting prompt medical treatment and are satisfied with the quality of their care. The study also shows that most injured workers have no problem getting workers' comp prescriptions filled.

Go to the DWC website for a complete copy of the report: <u>http://www.dir.ca.gov/dwc/</u> or fax a request to the COA of-fice—916-454-9882.

Medical Doctors on DWC's Expert Review Panel

DWC also announced that they will release the names of medical doctor members appointed to their expert review panel who will help the Division refine the American College of Environmental and Occupational Medicine (ACOEM) treatment guidelines next week. The panel will include representatives from orthopaedics, chiropractic, occupational medicine, acupuncture, physical therapy, psychology or psychiatry, pain management, occupational therapy, neurosurgery, family medicine, neurology, internal medicine, and physical medicine and rehabilitation. One of the panel's first job will be to review the elbow treatment guidelines. COA has nominated Dr. Peter Mandell to serve on the panel. COA has supported the formation of this expert review panel to help clarify the guidelines for surgical procedures.



The Bone and Joint Institute is currently looking for BE/BC Orthopaedic Surgeons to add to its rapidly expanding practice.

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Please send C.V. to: The Bone and Joint Institute of Southern Nevada 880 Seven Hills Drive Ste 140 Henderson, Nevada 89052 Attn. Jovanna Lee OR E-mail Phone (702) 932-8368 jlee@aboutbonesandjoints.com Fax (702) 990-2297

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News of Interest

AMA CPT Coding Assistant -

Coding Guidelines for Electromyography and Nerve Conduction Tests, September, 2006

2007 Medicare Physician Payment Changes, January, 2007

The AMA CPT Assistant continues to publish coding guidelines of interest to orthopaedic practices. For a copy of the above mentioned AMA CPT Assistant Coding articles, send a fax request to the COA office—916-454-9882.

AAOS Launches New Group Purchasing Program

The AAOS is partnering with Esurg Corp. to implement a group purchasing program for orthopaedic surgeons. The program will permit orthopaedists to purchase most of their medical, surgical, office and pharmaceutical supplies from a single source at savings of between 10% to 20%. AAOS members will save an additional 2% on most items. Contact Steven Fisher, Manager of the AAOS Practice Management Group at: sfisher@aaos.org for more information.

American Chronic Pain Association

The American Chronic Pain Association has completed an update to their ACPA Medication & Chronic Pain Supplement, 2007. Members of COA's Workers' Compensation Committee have reviewed the 46 page document and believe it will provide helpful information to COA members. For a copy of the pain supplement, fax a request to the COA office: 916-454-9882.

Concentra Sells Managed Care Business to Coventry

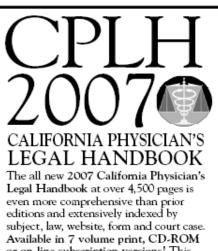
Concentra announced February 9, 2007 that is has sold its workers' compensation managed care services business to Coventry Health Care for \$387.5 million. This sale will make Coventry an even bigger player in California and Texas Workers' Compensation systems, where both companies operate large medical provider networks. Coventry will take over Concentra's Focus preferred provider organization; field case and telephonic case management, independent medical examinations, and First Script Network Services, a pharmacy benefit management unit.

The business that Coventry is purchasing will include medical provider networks for the California Insurance Guarantee Association, the American International Group companies, American Home Assurance, Zurich, and dozens of other carriers and selfinsured employers. This will be in addition to the First Health network already controlled by Coventry. The First Health network includes Fireman's Fund, The Hartford, the cities of Los Angeles and the counties of Riverside and Los Angeles to name just a few clients.

Los Angeles Audits Cambridge

The Los Angeles City Controller issued a performance audit on February 8, 2007 indicating that Cambridge Integrated Services has done a poor job of controlling costs, managing claims, and paying benefits on time for city police and firefighters' Workers' Compensation claims. The audit found that caseload for adjusters is too high and there is a high rate of staff turnover.

The City of Los Angeles is not the only Cambridge customer dissatisfied with the company's service. In November, 2005, Los Angeles County replaced Cambridge with Acclamation Insurance Management Services (AIMS).



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Welcome to COA's Newest Members

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Laguna Niguel Napa Placerville San Diego Sacramento Placerville Napa Carmichael Los Angeles San Diego Redlands Roseville Newport Beach Encinitas Hanford Fort Bragg San Francisco Los Angeles Glendale Rancho Cucamonga

If these orthopaedic surgeons practice in your community, please welcome them to COA and urge them to become involved in the Association— COA is an effective organization <u>because</u> of the involvement of its members.

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