Washington State Department of
Labor & Industries
Workers' Compensation Services

Payment Policies for Healthcare Services
Provided to Injured Workers and Crime Victims

Chapter 1: Introduction

Effective July 1, 2014

Table of contents

Page

Definitions **1-2**

General information:

About MARFS and this manual **1-3**

About the layout and design **1-6**

Highlights of policy changes since July 1, 2013 ..... **1-10**

Tips on finding information in the printable version **1-13**

More info:

Related topics **1-15**

CPT® codes and descriptions only are © 2013 American Medical Association

Definitions

- **Bundled:** A bundled procedure code isn't payable separately because its value is accounted for and included in the payment for other services. Bundled codes are identified in the fee schedules.

  Pharmacy and DME providers can bill HCPCS codes listed as bundled in the fee schedules. This is because, for these provider types, there isn't an office visit or a procedure into which supplies can be bundled.

  Link: For the legal definition of "bundled," see WAC 296-20-01002.

CPT® codes and descriptions only are © 2013 American Medical Association

General information: About MARFS and this manual

What is MARFS?

The Medical Aid Rules and Fee Schedules (MARFS) is a package of information about how workers' compensation insurers in Washington State pay for healthcare and vocational services provided to injured workers and crime victims.

MARFS includes three things:

- **Medical aid rules** published in the Washington Administrative Codes (WACs) for industrial insurance (workers' compensation),
- **Fee schedules** for healthcare and vocational professional provider and facility services, *and*
- This **payment policies manual**.

What is in this manual?

This manual contains 36 chapters, plus appendices, of payment policies for healthcare and vocational services provided by individual professional providers or facilities.

A payment policy for a specific service can include information about:

- Prior authorization,
- Who must perform specific services to qualify for payment,
- Services that can be billed or that aren't covered,
- Requirements for billing,
- Payment limits, *or*
- Other information, such as payment methods, background information on coverage decisions, unique requirements, and examples to illustrate billing procedures.

Note: Not every payment policy includes all of these elements. When one of the above elements isn't included, it is because the information isn't applicable. When the elements do appear, they are consistently presented in the same order.

CPT® codes and descriptions only are © 2013 American Medical Association

Beyond this introductory chapter, in this manual you will find:

- One chapter on **general policies and information** for all providers,
- 29 chapters for **professional services**, which contain payment policies for individual professional healthcare and vocational providers, and interpreters,
- 5 chapters for **facility services**, which contain payment policies for healthcare facilities, and
- **Appendices** containing information that applies to all chapters.

Note: Within each of the services sections, the chapters appear alphabetically.

What part of MARFS isn't in this manual?

This manual doesn't include:

- **Fee schedules**, which contain the maximum fees (payment amounts) for the authorized billing codes providers use to bill for services,
- The **field key**, which explains the column headings and abbreviations that appear in the fee schedules,
- **Medical aid rules**, which are the L&I specific WACs, *or*
- "**Updates and Corrections**," which contains any changes to policies and fees that occur between annual publications of this manual (see more about these changes, below, under, "How do I know if a policy is current?").

Links: The fee schedules (including the field key) are available on L&I's website, at http://feeschedules.Lni.wa.gov.

Medical Aid Rules are available in "Title 296 WAC" on the Washington State Legislature's website, at http://apps.leg.wa.gov/wac/default.aspx?cite=296.

CPT® codes and descriptions only are © 2013 American Medical Association

How do I know if a policy is current?

The policies in this manual are updated and published at the start of each fiscal year (July 1), and are effective for services provided on or after that date (until the next publication of this manual).

Sometimes changes do occur between publications of this manual. Such changes are communicated to providers through L&I's Medical Provider News email listserv and are also documented on an "Updates & Corrections" page on L&I's website.

Links: To see the "Updates and Corrections" webpage, go to www.Lni.wa.gov/ClaimsIns/Providers/Billing/FeeSched/2013/default.asp#3.

For information about how to join the email listserv, see the "General information: All payment policies and fee schedules" section of Chapter 2: Information for All Providers.

CPT® codes and descriptions only are © 2013 American Medical Association

General information: About the layout and design

How is each chapter organized?

Payment policies for general types of services are organized into individual chapters. Each chapter contains:

- A title page with a "**Table of contents**" for the chapter,
- Followed by **payment policies** for specific services, or **general information**, *and*
- At the end of the chapter, a table with links to **related topics**.

Some chapters also include **definitions** of key terms, including descriptions of billing code modifiers. When a chapter does contain definitions, they appear immediately following the "Table of contents."

Visual cues

Visual cues and icons appear consistently throughout the payment policies manual. The following is a list of these icons and visual cues, with descriptions of how they are used:

Bulleting:

Bullet lists are used to organize complex information and break it up into manageable pieces.

Link:

Direct links to related information that may be of interest and assistance are provided. These include links to other chapters within the payment policies manual, to internet website addresses, or to specific WACs and RCWs.

Note:

Notes appear throughout the manual to draw attention to additional useful information.

CPT® codes and descriptions only are © 2013 American Medical Association

Table of contents:

The same icon always appears next to the “Table of contents.”

Definitions or general policy information:

The same icon always appears next to “Definitions” or next to general policies that aren’t payment policies.

Payment policy:

The same icon always appears next to each payment policy.

Sample pages

Below are illustrations of actual chapter content (from the printable version of the manual) to show how information appears throughout.

Sample title page:

Each state fiscal year (which begins July 1), L&I publishes updated policies.

Sometimes updates or corrections occur between annual publications. The "Link" on the title page will bring you to the website that lists such changes.

The "Payment policies" appear in alphabetical order.

To jump to a specific page, click on a page number.

Washington State Department of
Labor & Industries
Workers' Compensation Services

Payment Policies for Healthcare Services Provided to Injured Workers and Crime Victims

Chapter 7: Chiropractic Services

Effective July 1, 2011

Link: Look for possible **updates and corrections** to these payment policies at www.Lni.wa.gov/ClaimsIns/Providers/Billing/FeeSched/2011/default.asp#3

Table of contents

	Page
Definitions	7-2
Payment policies:	
Chiropractic care visits	7-4
Chiropractic evaluation and management (E/M) services	7-8
Chiropractic independent medical exams (IMEs) and impairment ratings	7-11
Chiropractic radiology services (X-rays)	7-13
Complementary & preparatory services, and patient education or counseling	7-14
Physical medicine treatment	7-15
More info:	
Related topics	7-17

CPT® codes and descriptions only are © 2010 American Medical Association 7-1

 CPT® codes and descriptions only are © 2013 American Medical Association

Sample payment policy page:

On every page, the printable version tells you what chapter you're reading.

To help you track down the specific information you need more quickly, each policy topic stands out in large, bold-faced type.

Each page number includes:

- The chapter number,
- A dash, *and*
- The page number.

Payment policy: Physical capacities evaluation

Who must perform these services to qualify for payment

To quality for payment, a physical capacities evaluation must be performed by:

- Physicians who are board qualified or certified in physical medicine and rehabilitation, *or*
- Physical and occupational therapists.

Services that can be billed

Qualified providers can bill local code **1045M** (performance based physical capacities evaluation with report and summary of capacities), which has a maximum fee of **$705.78**.

Requirements for billing

The evaluation must be provided as a one on one service.

Payment limits

Local code **1045M** is payable only once per 30 days.

CPT® codes and descriptions only are © 2010 American Medical Association

CPT® codes and descriptions only are © 2013 American Medical Association

General information: Highlights of policy changes since July 1, 2013

Note: These highlights are intended for general reference; they aren't a comprehensive list of all the changes in the payment policies or fee schedules.

For complete code descriptions and lists of new, deleted, or revised codes, refer to the 2012 CPT© and HCPCS coding books.

Washington Administrative Code (WAC) and payment changes

The following changes to WACs and payment rates occurred:

- Cost of living adjustments were applied to RBRVS and anesthesia services or to most local codes,
- WAC 296-20-135 increases the anesthesia conversion factor to $3.31 per minute ($49.65 per 15 minutes) and the RBRVS conversion factor increases to $58.58,
- WAC 296-23-220 and WAC 296-23-230 increases the maximum daily cap for physical and occupational therapy services to **$122.00**, *and*
- WAC 296-23-250 set a daily cap for massage therapy of **75%** of the daily cap for PT/OT services. The rate for July 1, 2014 increases to **$91.50**.

Policy & fee schedule additions, changes, and clarifications

Professional services chapters

The professional services chapters now include:

- In Chapter 4, Anesthesia Services, it is clarified that epidural and caudal injections are limited to 4 in a 365 day,
- In Chapter 9, Durable Medical Equipment (DME), cryotherapy is defined as a bundled service,
- Wound therapy DME is redefined as rented on a daily basis and limitations on equipment are highlighted in Chapter 9, DME,
- Impairment ratings by the attending provider have been redefined in Chapter 12, Impairment Ratings,

CPT® codes and descriptions only are © 2013 American Medical Association

- The local code for out-of-state IMEs has been removed from Chapter 13, Independent Medical Examinations,
- In Chapter 25, Psychiatric and Psychological Service, clarifies that the prolonged services codes should be billed in addition to 90837 when psychotherapy services are 90 minutes or more,
- In Chapter 27, Reports and Forms, added a new code (S9981) to bill for medical records provided on CDs or DVDs.
- In Chapter 29, Surgery Services, the Bone Morphogenic Protein policy is updated.
- In Chapter 30, Vocational Services, Resume services have been included in the services vocational providers may provide.

Facility services chapters

In the facility services chapters, fees including Hospital APR DRG rates have been updated.

Appendices

In the Appendices:

- The Preferred Drug List has been removed, *and*
- Other appendices have been updated with new codes.

Fee schedules

With the exception of the comma delimited files, the Field Keys are integrated into the fee schedules.

The following fee schedules have been updated:

- Professional fees,
- Durable medical equipment fees,
- Prosthetics and orthotics fees,
- Laboratory fees,
- Pharmacy fees,

CPT® codes and descriptions only are © 2013 American Medical Association

- Dental fees,
- Interpreter fees,
- Hospital percent of allowed charge (POAC) factors,
- Hospital rates,
- Hospital ambulatory payment classification (APC) rates,
- Residential fees, *and*
- Ambulatory surgery center (ASC) fees.

CPT® codes and descriptions only are © 2013 American Medical Association

General information: Tips on finding information in the printable version

To navigate through this manual

Table of contents

In the “Table of contents,” the page numbers are links to the page.

“Bookmarks”

The “Bookmarks” tab (see the far left of this manual in the PDF viewer) is a feature of Adobe Acrobat. You can use the bookmark links to jump around this manual. If the “Bookmarks” tab isn’t open, you can open it by clicking on “Bookmarks”:

- Click on any text in the list to go to the information within this manual,
- Click on the plus (+) sign to open each section’s list for more information, *and*
- Click on the minus (-) sign to close the section.

Search

The “Find” box is another feature of Adobe Acrobat. Follow the instructions to search for the item or topic you need.

To search for a word, press “Ctrl+F.” Follow the instructions to search for the item or topic you need.

Note: In Adobe Acrobat, the search function won’t find an item if it is misspelled.

Hyperlinks

Use the two kinds of hyperlinks within this manual. Internal jump links are similar to the “Bookmark” links mentioned above.

To find information on a specific procedure

There are two places to look for information about a specific procedure:

- Review the payment policy, (which is inside this manual), *or*
- Review the fee schedule, (which is outside of this manual).

Link: The fee schedules are available at: http://feeschedules.Lni.wa.gov.

To print information within this manual

Use the “Print” icon, which is on the same menu as the “Binocular Search” icon.

Note: This print feature will give you options specific to printing this Adobe Acrobat file (PDF), which allows you to print a specific page or the entire document.

CPT® codes and descriptions only are © 2013 American Medical Association

Links: Related topics

If you're looking for more information about…	Then go here:
Administrative rules for industrial insurance (workers' compensation)	Washington Administrative Code (WAC) Title 296: http://apps.leg.wa.gov/wac/default.aspx?cite=296
Becoming an L&I provider	L&I's website: www.Lni.wa.gov/ClaimsIns/Providers/Becoming/
Billing instructions and forms	Chapter 2: Information for All Providers
Fee schedules for all healthcare professional services	L&I's website: http://feeschedules.Lni.wa.gov

- **Need more help?** Call L&I's Provider Hotline at **1-800-848-0811**.

CPT® codes and descriptions only are © 2013 American Medical Association