

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

# Chapter 1: Introduction

**Effective July 1, 2016**



## **Table of contents**

**Page**

About MARFS and this manual .....	1-3
About the layout and design .....	1-6
Highlights of policy changes since July 1, 2015 .....	1-10
Tips on finding information in the printable version .....	1-13
<b>More info:</b>	
Related topics.....	1-15





## 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, 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.

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, *and*
- 5 chapters for **facility services**, which contain payment policies for healthcare facilities.



**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>.

### ▶ 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/2016/Updates2016](http://www.Lni.wa.gov/ClaimsIns/Providers/Billing/FeeSched/2016/Updates2016).

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](#).



## 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.

**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.

The screenshot shows a title page with a yellow header containing the Washington State Department of Labor & Industries logo and the text 'Workers' Compensation Services'. The main title is 'Payment Policies for Healthcare Services Provided to Injured Workers and Crime Victims Chapter 7: Chiropractic Services', effective July 1, 2011. A link is provided for updates: [www.Lni.wa.gov/ClaimsIns/Providers/Billing/FeeSched/2011/default.asp#3](http://www.Lni.wa.gov/ClaimsIns/Providers/Billing/FeeSched/2011/default.asp#3). A table of contents lists sections like 'Definitions', 'Payment policies' (with sub-items like 'Chiropractic care visits'), and 'More info' with corresponding page numbers. A footer contains 'CPT® codes and descriptions only are © 2010 American Medical Association' and the page number '7-1'.

Sample payment policy page:

The diagram shows a sample payment policy page with three callout boxes on the left. The first box points to the chapter header 'Chapter 24: Physical Medicine Services' and the page title 'Payment Policies'. The second box points to the main heading 'Payment policy: Physical capacities evaluation' and its sub-sections: 'Who must perform these services to qualify for payment', 'Services that can be billed', 'Requirements for billing', and 'Payment limits'. The third box points to the footer, which includes the copyright notice 'CPT® codes and descriptions only are © 2010 American Medical Association' and the page number '24-9'.

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.

Chapter 24: Physical Medicine Services Payment Policies

 **Payment policy: Physical capacities evaluation**

▶ **Who must perform these services to qualify for payment**

To qualify 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 **24-9**



## General information: Highlights of policy changes since July 1, 2015



**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 2015 CPT<sup>®</sup> 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 \$3.41 per minute (\$51.15 per 15 minutes) and the RBRVS conversion factor increases to \$61.52,
- [WAC 296-23-220](#) and [WAC 296-23-230](#) increases the maximum daily cap for physical and occupational therapy services to **\$125.68**, 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, 2016 increases to **\$94.26**.

### ▶ Policy & fee schedule additions, changes, and clarifications

#### Professional services chapters

- All Appendices have been removed and pertinent information moved into the appropriate chapters.

Information previously found in:	Can now be found in:
Appendix A: Bundled Services and Appendix D: Endoscopy Families	<a href="http://Feeschedules.Lni.wa.gov">Feeschedules.Lni.wa.gov</a>
Appendix B: Bundled Supplies	<a href="#">Chapter 28: Supplies, Materials and Bundled Services</a>

Appendix C: Documentation Requirements	<a href="#">Chapter 2: Information for All Providers</a>
Appendix E: Modifiers Effecting Payment	
Appendix F: Non-covered Codes and Modifiers	<p><a href="http://Feeschedules.Lni.wa.gov">Feeschedules.Lni.wa.gov</a> shows non-covered codes</p> <p><a href="#">Chapter 2: Information for All Providers</a> which lists non-covered modifiers</p>

- The Psychiatric Services Chapter has been renamed Mental Health Services and chapters have been renumbered accordingly.
- In Chapter 2: Information for All Providers, language was added clarifying documentation requirements, modifiers, and how to change medical records. A definition of medical records was added.
- In Chapter 5: Audiology and Hearing Services, wax guards are reimbursed at \$1.25 each up to a maximum 150 per calendar year. Wax guards are billed using code 5095V. This service can't be billed as part of a repair.
- In Chapter 5, Audiology and Hearing Services, the insurer will reimburse service for replacement of tubes and domes at \$25 per visit. This amount includes binaural replacement. Tubes and domes are billed using code 5094V. This service:
  - can be billed a maximum 18 times per calendar year,
  - can be billed in conjunction with a quarterly cleaning visit,
  - can't be billed as part of a repair.
- In Chapter 12: Impairment Rating Services, local billing code 1190M has been added for a comprehensive hearing loss exam.
- In Chapter 14: Interpretive Services, face-to face interpretive services must be recorded on the updated L&I Interpreting Services Appointment Record (ISAR) 06-2015 form. **The insurer will no longer accept provider created services forms.** The revised L&I ISAR form must be used and must be signed by the interpreter. The ISAR form is available at: <http://www.lni.wa.gov/FormPub/Detail.asp?DocID=1625>. To avoid bill denial the completed ISAR form must be in the claim file by the time the bill is processed. Mileage has been clarified to state it is payable only for personally owned vehicles and is reimbursed only in **whole miles**. Calculate mileage from point to point, rounding each trip up to the nearest whole mile.

In Chapter 23: Pathology and Laboratory Services, new codes have been added and old codes have been deleted for drug screens.

- In Chapter 29: Surgery Services, links have been added to L&I's coverage decisions. A link to L&I's coverage decision on tobacco cessation for surgical candidates has been added.

### **Facility services chapters**

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

### **Fee schedules**

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

The following fee schedules, factors, and rates have been updated:

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



## 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.



## Links: Related topics

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

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