

## Payment Policies for Healthcare Services

Provided to Injured Workers and Crime Victims

# Chapter 12: Impairment Rating Services

Effective July 1, 2022



**Link:** Look for possible [updates and corrections](#) to these payment policies on L&I's website.



### Table of Contents

### Page

Definitions .....	12-2
Payment policy: Impairment ratings .....	12-3
Links to related topics .....	12-12



## Definitions

**The following terms are utilized in this chapter and are defined as follows:**

**Body areas:** For rating impairment, the following body areas are recognized:

- Head, including the face,
- Neck,
- Chest, including breasts and axilla,
- Genitalia, groin, buttock,
- Back,
- Abdomen, *and*
- Each extremity.

Each extremity is counted **once per extremity examined** when determining standard or complex codes.

**Organ systems:** For rating impairment, the following organ systems are recognized:

- Eyes,
- Ears, nose, mouth, and throat,
- Cardiovascular,
- Gastrointestinal,
- Respiratory,
- Genitourinary,
- Musculoskeletal,
- Skin,
- Neurologic,
- Psychiatric, *and*
- Hematologic/lymphatic/immunologic.



## Payment policy: Impairment ratings

### Prior authorization

Prior authorization is only required when:

- A psychiatric impairment rating is needed, *or*
- An IME is scheduled.

Only the claim manager may request and authorize local billing code **1198M**.

### When and how to perform an impairment rating

#### When to rate impairment

When the worker has reached maximum medical improvement (MMI) or when requested by the insurer. Impairment rating should occur during the closing exam.

Rate impairment only for medical conditions accepted under the claim.

#### Body areas and organ systems

The definitions of **body areas** and **organ systems** from Current Procedural Terminology (CPT®) book must be used to distinguish between standard and complex impairment rating.

#### How to rate impairment

Use the appropriate rating system.



**Link:** For an overview of systems for rating impairment, see the [Medical Examiners' Handbook](#).

Include the objective findings to support the impairment rating. The objective medical information is required if a worker requests the claim be reopened. **If there isn't an impairment, document that in the report.**

Impairment rating reports must include all of the following elements:

- **MMI:** Statement that the patient has reached maximum medical improvement (MMI) and that no further curative or rehabilitative treatment is recommended, *and*
- **Examination:** Pertinent details of the physical examination performed (both positive and negative findings). The report must include pertinent measurements (e.g. range of motion) even if they are within normal limits. This is important to document for comparison with potential reopening applications, *and*

- **Diagnostic tests:** Results of any pertinent diagnostic tests performed (both positive and negative findings). Include copies of any pertinent tests or studies ordered as part of the exam, *and*
- **Rating:** An impairment rating consistent with the findings and a statement of the system on which the rating was based. For example:
  - The AMA Guidelines to the Evaluation of Permanent Impairment Fifth Edition, *or*
  - The Washington State Category Rating System.
- **Rationale:** The rationale for the rating, supported by specific references to the clinical findings, especially objective findings and supporting documentation including the specific rating system, tables, figures and page numbers on which the rating was based.



**Links:** Refer to [WAC 296-20-19000](#) through [WAC 296-20-19030](#) and [WAC 296-20-200](#) through [WAC 296-20-690](#), and for amputations refer to [RCW 51.32.080](#).

## Who must perform these services to qualify for payment

Attending providers (APs) who are permitted to rate their own patients don't need an IME provider account number and may use their existing provider account number.

Qualified APs may rate impairment of their own patients.

Providers may only give ratings for areas of the body or conditions within their scopes of practice.

If the AP is unable or unwilling to perform the rating examination, the AP can ask a consultant to perform the rating examination.

Psychologists may not be an attending provider (except for Crime Victim's claims) and may not rate impairment for injured workers but may rate impairment for victims of crime.

Providers qualified to provide this service include the following:

Provider type	Can you rate impairment as an AP or consultant?
Medicine and surgery	Yes
Osteopathic medicine and surgery	Yes
Podiatric medicine and surgery	Yes
Dentistry	Yes
Chiropractic	Yes, if L&I-approved IME examiner
Naturopathy	No
Optometry	No
Physicians' Assistant	No
Advanced Registered Nurse Practitioners (ARNP), including Psychiatric ARNPs	No



**Links:** To see how these qualifications are set in state law, see [WAC 296-20-2010](#).

For more details on the topic of impairment ratings, refer to the [Medical Examiners' Handbook](#).

## Services that can be billed

The impairment rating exam should be sufficient to achieve the purpose and reason the exam was requested.

Choose the local billing code based on the number of **body areas** or **organ systems** that need to be examined to fully evaluate the accepted condition(s) or the condition(s) contended as work related (see fee schedule, below).

Be sure the report documents the relationship of the areas examined to the accepted or contended conditions.

Local billing code	Description	Maximum fee
1190M	<p><b>Comprehensive Hearing loss exam</b></p> <p>Use this code for comprehensive examination of the hearing system. The hearing system is comprised of two <b>organ systems</b> that need to be thoroughly examined for evaluation of the contended or accepted condition(s). Included in this code are the following requirements:</p> <ul style="list-style-type: none"> <li>• This specialty exam is directed only toward the affected body area or organ system.</li> <li>• Familiarity with the history of the industrial injury, exposure or condition through patient interview and medical and work records if available.</li> <li>• Diagnostic tests needed including audiograms are ordered and interpreted by the physician.</li> <li>• The degree of impairment is based on the audiogram and is interpreted by a physician.</li> <li>• The report must contain the required elements noted in the <a href="#">Medical Examiners' Handbook</a>.</li> <li>• The report conclusions address how the examined <b>body areas</b> or <b>organ systems</b> relate to the accepted or contended work related injury(s) or conditions(s).</li> </ul> <p>Office visits are considered a bundled service and are included in the impairment rating fee. Definitions of <b>organ systems</b> and <b>body areas</b> can be found in the CPT® manual.</p>	\$700.56

Local billing code	Description	Maximum fee
1191M	<p><b>Impairment rating by attending physician, standard, 1-3 body areas or organ systems.</b></p> <p>Use this code if there are 1-3 <b>body areas</b> or <b>organ systems</b> that need to be examined for sufficient evaluation of the accepted condition(s). Included in this code are the following requirements:</p> <ul style="list-style-type: none"> <li>• Familiarity with the history of the industrial injury or condition.</li> <li>• Physical exam is directed only toward the affected body area or organ system.</li> <li>• Diagnostic tests needed are ordered and interpreted.</li> <li>• Impairment rating is performed.</li> <li>• Impairment rating report must contain the required elements noted in the <a href="#">Medical Examiners' Handbook</a>.</li> <li>• The report conclusions address how the examined <b>body areas</b> or <b>organ systems</b> relate to the accepted or contended work related injury(s) or condition(s).</li> </ul> <p>Office visits are considered a bundled service and are included in the impairment rating fee. Definitions of <b>organ systems</b> and <b>body areas</b> can be found in the CPT® manual.</p>	\$700.56

Local billing code	Description	Maximum fee
1192M	<p><b>Impairment rating by attending physician, complex, 4 or more body areas, or organ systems.</b></p> <p>Use this code if there are 4 or more <b>body areas</b> or <b>organ systems</b> that need to be examined for sufficient evaluation of the accepted condition(s). Included in this code are the following requirements:</p> <ul style="list-style-type: none"> <li>• Familiarity with the history of the industrial injury or condition.</li> <li>• Physical exam is directed only toward the affected body area or organ system.</li> <li>• Diagnostic tests needed are ordered and interpreted.</li> <li>• Impairment rating is performed.</li> <li>• Impairment rating report must contain the required elements noted in the <a href="#">Medical Examiners' Handbook</a>.</li> <li>• The report conclusions address how the examined <b>body areas</b> or <b>organ systems</b> relate to the accepted or contended work related injury(s) or condition(s).</li> </ul> <p>Office visits are considered a bundled service and are included in the impairment rating fee. Definitions of <b>organ systems</b> and <b>body areas</b> can be found in the CPT® manual.</p>	\$875.69



Local billing code	Description	Maximum fee
1194M	<p><b>Impairment rating by consultant, standard, 1-3 body areas or organ systems.</b></p> <p>Use this code if there are 1-3 <b>body areas</b> or <b>organ systems</b> that need to be examined for sufficient evaluation of the accepted condition(s). Included in this code are the following requirements:</p> <ul style="list-style-type: none"> <li>• Records are reviewed.</li> <li>• Physical exam is directed only toward the affected areas or <b>organ systems</b> of the body.</li> <li>• Diagnostic tests needed are ordered and interpreted.</li> <li>• Impairment rating is performed.</li> <li>• Impairment rating report must contain the required elements noted in the <a href="#">Medical Examiners' Handbook</a>.</li> <li>• The report conclusions address how the examined <b>body areas</b> or <b>organ systems</b> relate to the accepted or contended work related injury(s) or condition(s).</li> </ul> <p>Office visits are considered a bundled service and are included in the impairment rating fee. Definitions of <b>organ systems</b> and <b>body areas</b> can be found in the CPT® manual.</p>	\$700.56

Local billing code	Description	Maximum fee
1195M	<p><b>Impairment rating by consultant, complex, 4 or more body areas or organ systems.</b></p> <p>Use this code if there are 4 or more <b>body areas</b> or <b>organ systems</b> that need to be examined for sufficient evaluation of the accepted condition(s). Included in this code are the following requirements:</p> <ul style="list-style-type: none"> <li>• Records are reviewed.</li> <li>• Physical exam is directed only toward the affected areas or <b>organ systems</b> of the body.</li> <li>• Diagnostic tests needed are ordered and interpreted.</li> <li>• Impairment rating is performed.</li> <li>• Impairment rating report must contain the required elements noted in the <a href="#">Medical Examiners' Handbook</a>.</li> <li>• The report conclusions address how the examined <b>body areas</b> or <b>organ systems</b> relate to the accepted or contended work related injury(s) or condition(s).</li> </ul> <p>Office visits are considered a bundled service and are included in the impairment rating fee. Definitions of <b>organ systems</b> and <b>body areas</b> can be found in the CPT® manual.</p>	\$875.69
1198M	<p><b>Impairment rating, addendum report.</b></p> <p>Must be requested and authorized by the claim manager.</p> <p>Addendum report for additional information which necessitates review of new records.</p> <p>Payable to attending physician or consultant.</p> <p>This code isn't billable when the impairment rating report didn't contain all the required elements. (See the <a href="#">Medical Examiners' Handbook</a> for the required elements.)</p>	\$133.21

### Rating hearing loss

When performing a comprehensive exam for hearing loss, the report must include a statement regarding eligibility for permanent partial impairment. Per [RCW 51.28.055](#), workers aren't eligible for a disability payment if they don't file a claim within two years of last injurious exposure.

### Requirements for billing

APs use billing codes **1191M** and **1192M**.

Consultants use billing codes **1194M** and **1195M**.

Only the claim manager may request and authorize local billing code **1198M**.

### Additional information: How to find out if an impairment rating is scheduled

To see if an IME is scheduled, for a claim that is:

- **State Fund**, use our secure [online Claim & Account Center](#).
- **Self-insured**, contact the [self-insured employer \(SIE\) or their third party administrator \(TPA\)](#).
- **Crime Victims**, call 1-800-762-3716.



## Links to related topics

If you're looking for more information about...	Then see...
<b>Administrative rules and other Washington state laws</b> for impairment ratings	<a href="#">Washington Administrative Code (WAC) 296-20-19000</a> <a href="#">WAC 296-20-19030</a> <a href="#">WAC 296-20-200</a> <a href="#">WAC 296-20-2010</a> <a href="#">WAC 296-20-690</a> <a href="#">Revised Code of Washington (RCW) 51.32.080</a>
<b>Becoming an L&amp;I provider</b>	<a href="#">Become A Provider on L&amp;I's website</a>
<b>Billing</b> instructions and forms	<a href="#">Chapter 2: Information for All Providers</a>
<b>Fee schedules</b> for all healthcare services (including impairment ratings)	<a href="#">Fee schedules on L&amp;I's website</a>
<b>How to perform an impairment rating</b>	<a href="#">Medical Examiner's Handbook</a>
<b>Laws</b> for Medical Aid	<a href="#">RCW 51.28.055</a>

### Need more help?

Call L&I's Provider Hotline at **1-800-848-0811** or email [PHL@lni.wa.gov](mailto:PHL@lni.wa.gov)