

Payment Policies for Healthcare Services

Provided to Injured Workers and Crime Victims

Chapter 1: Introduction

Effective July 1, 2024



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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 encompasses 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 may 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,
- Documentation requirements,
- Payment limits, and/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. See the <u>fee schedules</u> for prior authorization requirements.

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

- One chapter on general policies and information for all providers,
- Twenty-nine chapters for **professional services**, which contain payment policies for individual professional healthcare and vocational providers, and interpreters, and
- Five 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:

- <u>Fee schedules</u>, 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 L&I-specific WACs, and
- <u>Updates and Corrections</u>, which contain any changes to policies and fees that occur between annual publications of this manual.



Link: Medical Aid Rules are available in <u>Title 296 WAC</u> on the Washington State Legislature's website.

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 (June 1), and are effective for services provided from July 1 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 <u>Updates & Corrections page on L&I's website</u>.



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

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.



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, helpful websites, forms and documents, or specific WACs and RCWs.



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



The same icon always appears next to the Table of Contents.

Definitions, Modifiers, or general policy information

The same icon always appears next to Definitions, Modifiers, or general policies that aren't payment policies.



The same icon always appears next to each payment policy.

Sample pages

Below are illustrations of actual chapter content 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.	Washington State Department of Labor & Industries		
	Payment Policies for Healthcare Services Provided to Injured Workers and Crime Victims Chapter 5: Audiology and Hearing Services Effective July 1, 2022 Vink: Look for possible updates and corrections to these payment policies on L&I's website.		
	Table of Contents	Page	
The Payment policies appear in alphabetical order. To jump to a specific	Definitions Payment policy: Audiology services Payment policy: Advertising limits Payment policy: Dispensing fees Payment policy: Documentation and record keeping requirements Payment policy: Hearing aids, devices, supplies, parts, and services Payment policy: Repairs and replacements Payment policy: Replacement of linear nonprogrammable analog hearing aids Payment policy: Restocking fees Links to related topics.	5-3 5-10 5-11 5-12 5-14 5-19 5-23 5-25	
page, click on a page	CPT® codes and descriptions only are © 2021 American Medical Association	5-1	

Sample payment policy page



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General information: Highlights of policy changes since July 1, 2023

These highlights are intended for general reference. This isn'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 2023 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 and/or local codes,
- <u>WAC 296-20-135</u> increases the anesthesia conversion factor to **\$3.89** per minute (**\$58.35** per 15 minutes) and the RBRVS conversion factor increases to **\$59.98**,
- <u>WAC 296-23-220</u> and <u>WAC 296-23-230</u> increases the maximum daily cap for physical and occupational therapy services to **\$147.97**, and
- <u>WAC 296-23-250</u> set a daily cap for massage therapy of 75% of the daily cap for PT/OT services. The rate for July 1, 2024 is **\$110.98**.

Policy & fee schedule additions, changes, and clarifications

Professional services chapters

<u>Chapter 2: Information for All Providers</u> now includes information for providers who have a dual license. There is a new section on the timeline for adjustments and rebills and clarifies provider requirements for billing corrections.

<u>Chapter 3: Ambulance, Taxi, and Other Transportation Services</u> includes a new billing code for taxi no-shows related to insurer arranged Independent Medical Exams (IMEs) or insurer arranged consultations.

<u>Chapter 9: Durable Medical Equipment</u> is restructured to improve clarity and ease-of-use, and contains a new standalone policy for Negative Pressure Wound Therapy.

<u>Chapter 14: Language Access Services for Spoken Languages</u> is restructured to improve clarity and ease-of-use, and reflects changes to interpretation services. Sign language services are now in Chapter 22: Other Services.

<u>Chapter 17: Mental Health Services</u> clarifies the differences between neuropsychological testing and psychological testing.

<u>Chapter 19: Naturopathic Physicians and Acupuncture Services</u> underwent a complete overhaul and now allows naturopaths to bill CPT® for office visits and treatment. A reorganized acupuncture policy provides further clarity.

<u>Chapter 22: Other Services</u> includes several new policies, including a policy specifically for lodging providers, an updated Behavioral Health and Interventions policy, and an update for the Surgical Quality Care Program. Masters Level Therapists are now part of the L&I provider network. Sign language services now reside in this chapter.

<u>Chapter 25: Physical Medicine Services</u> clarifies Functional Capacity Exam billing limits. A new policy was added for Work Rehabilitation.

Chapter 27: Reports and Forms now clarifies when 60-day reports are required.

<u>Chapter 30: Vocational Services</u> includes a vocational school refund policy and revamped policies for travel and remote services.

Facility services chapters

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

The insurer is continuing to update the outpatient code editor (OCE). Notices of future updates will be posted on the <u>Updates & Corrections page on L&I's website</u>.

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:

- Ambulatory surgery center (ASC) fees,
- Dental fees,
- Durable medical equipment fees,
- Hospital ambulatory payment classification (APC) rates,
- Hospital percent of allowed charge (POAC) factors,
- Hospital rates,
- Interpreter fees,
- Laboratory fees,
- Pharmacy fees,
- Professional fees,
- Prosthetics and orthotics fees, and
- Residential fees.

Links to related topics

If you're looking for more information about	Then see
Administrative rules for industrial insurance (workers' compensation)	Washington Administrative Code (WAC) Title 296
Becoming an L&I provider	Become A Provider on L&I's website
Billing instructions and forms	Chapter 2: Information for All Providers
Fee schedules for all healthcare professional services	Fee schedules on L&I's website

Need more help?

Email L&I's Provider Hotline at <u>PHL@Lni.wa.gov</u>. If you would prefer a phone call, please email us your name and contact number.