

Medical Fee Language Alternative for LMAC

39-71-704

(2)(a) The department shall annually establish a schedule of fees for medical services that are necessary for the treatment of injured workers. Charges submitted by providers must be the usual and customary charges for nonworkers' compensation patients. The department may require insurers to submit information to be used in establishing the schedule.

~~(b)(i) The department may not shall~~ set the base rate for facility medical services, including services provided inpatient or outpatient at an acute care hospital and services provided at an ambulatory surgery center, at a rate between 135% and 165% above the current medicare base rate. However, the department shall never set the base rates for facility services at a rate that is lower than 135% of the medicare base rate as published on January 1, 2011.

~~(ii) The department shall set the conversion factor for non-facility medical services at a rate no lower than 10% below and no greater than 10% above the weighted average of the conversion factors used by up to the top five insurers or third-party administrators providing group health insurance coverage within this state who use the resource-based relative value scale to determine fees for covered services. To be included in the rate determination, the insurer or third-party administrator must occupy at least 1% of the market share for group health insurance policies as reported annually to the state auditor.~~

~~(ii) The insurers or third-party administrators included under subsection (2)(b)(i) shall provide their standard conversion rates to the department.~~

~~(iii) The department may use the conversion rates only for the purpose of determining average conversion rates under this subsection (2).~~

~~(iv) The department shall maintain the confidentiality of the conversion rates 65% above medicare's reimbursement rates for the same services.~~