



July 1, 2020

Charles Carpenter
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Dear Mr. Charles Carpenter,

Healthsystems thanks the Industrial Commission for providing the opportunity to comment on the proposed Arizona 2020/2021 Physicians' and Pharmaceutical Fee Schedule. We support the proposed fee schedule, and we have one recommendation regarding billing rules for Physical Medicine services.

Pharmaceutical Fee Schedule

Healthsystems supports the Staff's proposal on the continued use of Medi-Span for determining the Average Wholesale Price ("AWP"). Medi-Span continues to be the most widely used drug compendia in the pharmacy and pharmacy benefit manager community. For this reason, we recommend Medi-Span be retained for the coming year.

Physical Medicine Guidelines

For Time-Based Physical Medicine Services, we have observed inconsistency in provider billing practices and for this reason, we have a recommendation to be inserted into this section of the fee schedule. Currently, the Arizona Fee Schedule incorporates the general guidelines of the 2020 Edition of American Medical Association's CPT-4, and this may include AMA's guideline regarding billing; however, this direction is not clearly provided and as a result we see some providers billing based on AMA guidelines and others billing based on CMS guidelines.

We are concerned that the lack of clarity on which guideline is applicable unnecessarily increases cost and for this reason we recommend the Commission adopt language which specifies billing for these services that conforms to the Centers for Medicare and Medicaid Services (CMS) guidance. CMS allows reimbursement to therapy providers for cumulative treatment time when more than one service is provided for less than 8 minutes each. For time-based procedures not subject to the multiple discount rule, such as codes 97110-97150 and 97530-97546 referenced in paragraph (C.) of the Physical Medicine Guidelines we propose the Commission consider CMS' practice by requiring the practitioner to be directly engaged with the patient for a minimum of 8 minutes (also known as the midpoint). If this 8-minute time threshold is met, then the provider may bill the appropriate time-based code. For example, if the sum of two services that are provided is 8 minutes or more, then the service provided for the greater amount of time can be billed as one unit. This allows the provider the ability to be receive reimbursement for the time they were directly

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engaged for services exceeding up to an including 127 minutes. The units shall be calculated as documented in the following chart:

Units	Number of Minutes
0	< 8 minutes
1	≥ 8 minutes and ≤ 22 minutes
2	≥ 23 minutes and ≤ 37 minutes
3	≥ 38 minutes and ≤ 52 minutes
4	≥ 53 minutes and ≤ 67 minutes
5	≥ 68 minutes and ≤ 82 minutes
6	≥ 83 minutes and ≤ 97 minutes
7	≥ 98 minutes and ≤ 112 minutes
8	≥ 113 minutes and ≤ 127 minutes

Providers are familiar with the CMS methodology and this clarifying language in the Physical Medicine Guidelines would eliminate ambiguity and reduce payment disputes and delays for providers and payers alike.

Thank you for considering our input and we welcome any questions or request for additional information.

Sincerely,

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