



May 9, 2017

Industrial Commission of Arizona
800 W. Washington St
Phoenix, AZ 85007

Re: Notice of 2017 Arizona Physicians' and Pharmaceutical Fee Schedule Hearing

Dear Industrial Commission of Arizona Members:

This letter is in follow-up to my previous letter dated April 25, 2017 with the intent to provide additional detail to my practice as it relates to the proposed changes to the 2017/2018 Arizona Physicians' and Pharmaceutical Fee Schedule.

Significant Reimbursement Reductions

In addition to the nearly 34% cut to reimbursement for procedures performed within a facility, the adoption of bundling the fluoroscopy fee makes the true reduction of 52% as illustrated below.

CPT 62321 replaced with 62323 (-43%)
CPT 77003 can no longer be reimbursed due bundling (-100%)
Total reduction in overall reimbursement (-52%)

Stop-Loss Recommendation:

We agree with the Arizona Medical Association in the recommendation to implement a stop-loss to reduce the dramatic reductions in numerous codes and negative impact to procedures performed in a facility-setting.

Continued Administrative Burdens:

The ICA acknowledges physicians experience a higher administrative burden caring for injured workers in comparison to any other payor. The ICA believes the fee schedule adequately compensates physicians for these additional requirements, which it does not.

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Other payors do not require coordination with case managers, adjustors and patient's legal counsel, determining work restrictions, conducting peer-to-peer reviews, doing impairment ratings and testifying before an administrative law judge.

In addition, as a result of the recent ODG implementation, we are experiencing increased denials as "specific ODG documentation" may not be incorporated in the reviewed note.

A practice is now required to purchase multiple user ODG licenses at an annual cost of \$499 per license. The 2017 Fee Schedule was devised to be "budget neutral", however compensation has not been adjusted to adequately reimburse physicians for the additional administrative burdens created by ODG.

In summary, I am requesting your reconsideration and additional analysis necessary to create a more fair and reasonable physician fee schedule, while implementing a stop-loss concept.

Respectfully,

A handwritten signature in black ink, appearing to read "R Prust", written in a cursive style.

Randall S Prust MD
Rincon Pain Management