



Oregon

Theodore R. Kulongoski, Governor

Department of Consumer and Business Services
Workers' Compensation Division
350 Winter Street NE
P.O. Box 14480
Salem, Oregon 97309-0405
1-800-452-0288, 503-947-7810
www.wcd.oregon.gov

July 3, 2008

TO: Workers' compensation attorneys, insurers, service companies, self-insured employers, and health care providers

SUBJECT: Changes to Medical Fee Schedule calculation process

Recent changes to the columns in the Centers for Medicare & Medicaid Services (CMS) 2008 Medicare Resource-Based Relative Value Scale (RBRVS) Addendum B and Addendum C, published in the Federal Register and adopted by the Workers' Compensation Division effective July 1, 2008, have caused some confusion about how to calculate medical fees. The Workers' Compensation Division is issuing this notice to explain how to calculate fees with the changes in the columns.

Until now, the RBRVS published in the Federal Register contained a column with the **total** Relative Value Units (RVUs) for each current procedure terminology (CPT[®]) code. In order to calculate the fee schedule, you have to multiply the **total RVU** by the conversion factor. **The total RVU is the sum of the Physician work RVU, the non-facility/facility PE RVU, and the malpractice RVU.**

However, the table published in the Federal Register no longer contains a column with the **total RVUs**. To calculate the **total RVU**, add the following:

- Physician work RVU,
- Year 2008 transitional non-facility/facility PE RVU, *and*
- Malpractice RVU.

Once you have added these three columns (**total RVU**), you must then multiply *that total RVU* by the conversion factor. **Do not multiply just the Year 2008 transitional non-facility/facility PE column by the conversion factor.**

Please note these changes took effect July 1, 2008, when the director adopted the Relative Value Units published in the Federal Register Vol. 72, No. 227, Nov. 27, 2007.

OAR 436-009-0040 and other Workers' Compensation Division rules can be found at www.wcd.oregon.gov. Click "Laws & rules" on the left-hand menu.

If you have questions about this industry notice, please contact the Workers' Compensation Division Medical Resolution Team at 503-947-7816 or send e-mail to WCD.medicalquestions@state.or.us

John L. Shilts, Administrator
Workers' Compensation Division