

## What Changed in 2008?

- COMAR 14.09.03 was rewritten as a comprehensive regulation.
- Effective 1/01/08, CMS changed its methodology for reimbursement of Ambulatory Surgical Centers (“ASC”) and terminated use of the group payment rate system.
- ASC facility fees are reimbursed by multiplying the 2008 Medicare transitioned rate by 125%.
- Effective 3/24/08, the WCC shall utilize the 2008 Medicare Resource Based Relative Value Scale (“RBRVS”), exclusive of the Federal Budget Neutrality Adjustment Factor, as the basis for calculating reimbursement rates for medical services and treatment.
- Effective 3/24/08, medical services and treatment (excluding anesthesiology and ASC) are reimbursed by multiplying each RBRVS relative value unit (“RVU”) by the corresponding geographic price cost index (“GPCI”), adding those products, and then multiplying the sum by the applicable Maryland Specific Conversion Factor (“MSCF”):

$$\text{Non-facility MRA} = ((\text{RVU Work} \times \text{GPCI Work}) + (\text{RVU Transitioned Non-Facility PE} \times \text{GPCI PE}) + (\text{RVU MP} \times \text{GPCI MP})) \times \text{MSCF}.$$

- Effective 3/24/08, the Maryland Specific Conversion Factor is:
  - For anesthesiology, \$19.39.
  - For orthopedic and neurological surgical procedures, \$53.77.
  - For all other medical services and treatment, except as otherwise provided, \$40.70.
- After 03/24/08, the WCC will no longer regulate deposition fees through the fee schedule.
- Licensed Physician’s Assistants (P.A.) have been added to the list of authorized providers.
- On an annual basis, the WCC shall publish the percent increase in the MEI developed by CMS for the upcoming calendar year.
- On January 1<sup>st</sup> of each year, the WCC shall establish a new MSCF by multiplying the MSCF in effect on December 31<sup>st</sup> of the prior year by the percentage change in the first quarter Medicare Economic Index (“MEI”) and adding that amount to the prior year’s MSCF.
- On January 1<sup>st</sup> of each year, the WCC shall establish a new percentage multiplier for ASCs by multiplying the prior year’s multiplier by the percentage change in the first quarter MEI and adding that amount to the prior year’s multiplier.

## What didn't change?

- The formula for reimbursing anesthesiology services:

$$\text{MRA} = (\text{Time units} + \text{Base units}) \times \text{MSCF}$$

- The way the MSCF is calculated : Multiplying the 2004 CMS conversion factor x the applicable percentage multiplier:

$$\text{Ortho/Neurological Surgical MSCF} = 2004 \text{ CMS Conversion Factor} \times 144\%$$

$$\text{Ortho/Neuro MSCF} = \$37.3374 \times 144\% = \$53.77$$

$$\text{All other medical services MSCF} = 2004 \text{ CMS Conversion Factor} \times 109\%$$

$$\text{All other medical services MSCF} = \$37.3374 \times 109\% = \$40.70$$

$$\text{Anesthesia service MSCF} = (\text{CMS 2004 conversion rate}) \times 109\%$$

$$\text{Anesthesia service MSCF} = \$17.79 \times 1.09 = \$19.39$$

- The formula for reimbursing ASC facility fees:

$$\text{MRA} = (\text{a number generated by CMS}) \times 125\%.$$

(how CMS calculates the reimbursement rate for ASCs did change in 2008 moving from the group payment plan to another methodology)