State of California

Department of Industrial Relations

DIVISION OF WORKERS’ COMPENSATION



**Order of the Administrative Director of the**

**Division of Workers’ Compensation**

**Official Medical Fee Schedule – Pathology and Clinical Laboratory**

**Effective for Services Rendered on or after April 1, 2020**

 **and Earlier Dates as Specified**

**(Additional Update to Conform to Further CMS 2nd Quarter Revisions and Adoption of New COVID-19 Related Codes)**

On March 24, 2020, the Administrative Director of the Division of Workers’ Compensation issued an order adjusting the pathology and clinical laboratory portion of the Official Medical Fee Schedule adopted in title 8, California Code of Regulations, section 9789.50, to conform to changes to the Medicare payment system that were adopted by the Centers for Medicare & Medicaid Services (CMS) for the second quarter of 2020. Thereafter, CMS issued a revised quarter two Clinical Laboratory file dated April 6, 2020. This Order adopts a further update to conform to the revised Medicare second quarter Clinical Laboratory Fee Schedule contained in the electronic file “[20CLABQ2 - Updated 4/6/2020](https://www.cms.gov/medicaremedicare-fee-service-paymentclinicallabfeeschedclinical-laboratory-fee-schedule-files/20clabq2)”.

Pursuant to Labor Code section 5307.1, subdivision (g), the Administrative Director of the Division of Workers’ Compensation orders that the pathology and clinical laboratory portion of the Official Medical Fee Schedule adopted in title 8, California Code of Regulations, section 9789.50, is adjusted to conform to changes to the Medicare payment system that were adopted by the Centers for Medicare & Medicaid Services (CMS) for services rendered on or after April 1, 2020, except as set forth below. The update includes fee schedule changes identified in [CMS Transmittal 10033, Change Request CR11681](https://www.cms.gov/regulations-and-guidanceguidancetransmittals2020-transmittals/r10033cp), which may be accessed on the Medicare website.

In addition, CMS has issued a “CMS Ruling” ([CMS-Ruling 2020-1-R](https://www.cms.gov/files/document/cms-2020-01-r.pdf)) on April 14, 2020 which adopts new COVID-19 testing codes (U0003 and U0004) and fees for tests performed using specified high throughput technology. Pursuant to Labor Code section 5307.1, subdivision (g), and in order to address the public health emergency, the Administrative Director orders that the pathology and clinical laboratory portion of the Official Medical Fee Schedule is adjusted to conform to relevant changes in CMS-Ruling 2020-1-R as set forth below.

Medicare Data Source and Incorporation by Reference

Except as set forth below, effective for services rendered on or after April 1, 2020, the maximum reasonable fees for pathology and clinical laboratory services shall not exceed 120% of the applicable fees set forth in the April 2020 quarterly update to the Medicare Clinical Laboratory Fee Schedule, contained in the electronic file “[20CLABQ2 - Updated 4/6/2020](https://www.cms.gov/medicaremedicare-fee-service-paymentclinicallabfeeschedclinical-laboratory-fee-schedule-files/20clabq2)” which is adopted and incorporated by reference. The effective dates for the COVID-19 testing and specimen codes and fees are adopted as set forth in the table below.

In addition, the Administrative Director adopts and incorporates by reference the portion of [CMS-Ruling 2020-1-R](https://www.cms.gov/files/document/cms-2020-01-r.pdf) that is set out under the heading “PAYMENT FOR LABORATORY TESTS FOR THE DETECTION OF SARS–COV–2 OR THE DIAGNOSIS OF THE VIRUS THAT CAUSES COVID–19 MAKING USE OF HIGH THROUGHPUT TECHNOLOGIES”, except that the workers’ compensation fee for codes U0003 and U0004 shall be 120% of the Medicare rate pursuant to Labor Code section 5307.1.

New COVID-19 HCPCS Level I and Level II Testing Codes / Specimen Collection Codes

The CMS Transmittal 10033 sets forth the effective dates of the new COVID-19 testing codes and specimen collection codes included in the electronic file “20CALBQ2 – Updated 4/6/2020”. In addition, the “CMS Ruling” ([CMS-Ruling 2020-1-R](https://www.cms.gov/files/document/cms-2020-01-r.pdf)) issued April 14, 2020 sets forth the effective date for additional new COVID-19 testing codes HCPCS U0003 and U0004.

The Administrative Director adopts the codes, fees and effective dates as follows:

| **COVID-19 Testing Codes and Specimen Collection Codes and Descriptors** | **Effective Date****(Services on or After)** | **Maximum Workers’ Compensation Fee****(120% of Medicare Rate)** |
| --- | --- | --- |
| U0001Short Descriptor: 2019 –nCoV diagnostic PLong Descriptor: CDC 2019 Novel Coronavirus (2019-nCoV) Real-Time RT-PCR Diagnostic Panel | February 4, 2020 | $43.09 |
| U0002Short Descriptor: COVID-19 lab test non-CDC Long Descriptor: 2019-nCoV Coronavirus, SARS-CoV-2/2019-nCoV (COVID-19), any technique, multiple types or subtypes (includes all targets), non-CDC | February 4, 2020 | $61.57 |
| U0003Long Descriptor: Infectious agent detection by nucleic acid (DNA or RNA); severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (Coronavirus disease [COVID-19]), amplified probe technique, making use of high throughput technologies as described by CMS-2020-01-R | March 18, 2020 | $120.00 |
| U0004Long Descriptor: 2019-nCoV Coronavirus, SARS-CoV-2/2019-nCoV (COVID-19), any technique, multiple types or subtypes (includes all targets), non-CDC, making use of high throughput technologies as described by CMS-2020-01-R | March 18, 2020 | $120.00 |
| G2023Short Descriptor: Specimen collect COVID-19Long Descriptor: Specimen collection for severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (Coronavirus disease [COVID-19]), any specimen source | March 1, 2020 | $28.15 |
| G2024Short Descriptor: Spec coll SNF/Lab COVID-19Long Descriptor: specimen collection for severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (Coronavirus disease [COVID-19]), from an individual in a SNF or by a laboratory on behalf of a HHA, any specimen source | March 1, 2020 | $30.55 |
| CPT 87635Short Descriptor: SARS-COV-2 COVID-19 AMP PRB Long Descriptor: Infectious agent detection by nucleic acid (DNA or RNA); severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (Coronavirus disease [COVID-19]), amplified probe technique | March 13, 2020 | Medicare rate not yet set.(See [CMS-Ruling 2020-1-R](https://www.cms.gov/files/document/cms-2020-01-r.pdf) : “It is noted that U0003 should identify tests that would otherwise be identified by CPT code 87635 but for being performed with these high throughput technologies.”)  |

See the Administrative Director Order dated March 24, 2020 for further information on fees for HCPCS codes U0001 and U0002. This Order clarifies that the HCPCS U0001 and U0002 codes adopted by Order dated March 24, 2020 are effective for services on or after February 4, 2020.

This [Order](https://www.dir.ca.gov/dwc/OMFS9904.htm#2) shall be published on the website of the Division of Workers’ Compensation on the [Pathology](https://www.dir.ca.gov/dwc/OMFS9904.htm#7) and Clinical Laboratory webpage.

**IT IS SO ORDERED.**

Dated: April 15, 2020 /S/ GEORGE P. PARISOTTO\_\_\_\_\_\_\_

GEORGE P. PARISOTTO

Administrative Director of the

Division of Workers’ Compensation