State of California

Department of Industrial Relations

DIVISION OF WORKERS’ COMPENSATION



**Order of the Administrative Director of the Division of Workers’ Compensation**

(Additional OMFS Update for Hospital Outpatient Departments and Ambulatory Surgical Center Services - Effective March 1, 2021)

On February 26, 2021, the Administrative Director of the Division of Workers’ Compensation issued an order that title 8, California Code of Regulations, sections 9789.30 through 9789.39, pertaining to the Hospital Outpatient Departments and Ambulatory Surgical Centers Fee Schedule portion of the Official Medical Fee Schedule, be adjusted to conform to relevant changes in the Centers for Medicare and Medicaid Services (CMS) hospital outpatient prospective payment system (HOPPS) final rule of December 29, 2020, and the wage index values in CMS’ hospital inpatient prospective payment system (IPPS) final rule of September 18, 2020, and correction notice of December 7, 2020, to the IPPS final rule; and certain codes used, in part, to define surgical codes, in CMS’ Ambulatory Surgical Center Payment Systems final rule of December 29, 2020. Subsequently, on February 25, 2021, CMS issued a corrected Addenda A and B, and corrected ASC Addenda AA and EE [[CMS-1736-CN](https://www.cms.gov/medicaremedicare-fee-service-paymenthospitaloutpatientppshospital-outpatient-regulations-and-notices/cms-1736-cn); 86 FR 11428].

Pursuant to Labor Code section 5307.1(g)(1),(2), **Title 8, California Code of Regulations, section 9789.39 subdivision (b),** is amended to adopt Addenda A and B of CMS’ hospital outpatient prospective payment system rate for Calendar Year 2021 found in the [[2021 Correction Notice OPPS Addendum A](https://www.cms.gov/medicaremedicare-fee-service-paymenthospitaloutpatientppshospital-outpatient-regulations-and-notices/cms-1736-cn)] and [[2021 Correction Notice OPPS Addendum B](https://www.cms.gov/medicaremedicare-fee-service-paymenthospitaloutpatientppshospital-outpatient-regulations-and-notices/cms-1736-cn)] files, in place of the original files, for services rendered on or after March 1, 2021.

Pursuant to Labor Code section 5307.1(g)(1),(2), **Title 8, California Code of Regulations, section 9789.39 subdivision (b)** is amended to adopt column A of CMS’ ASC addendum AA and column A of CMS’ ASC addendum EE found in the [[Correction Notice Addenda AA, BB, DD1, DD2, EE](https://www.cms.gov/medicaremedicare-fee-service-paymentascpaymentasc-regulations-and-notices/cms-1736-cn)] file, in place of the original file, for services rendered on or after March 1, 2021.

This Order adopts changes to the OMFS for the Hospital Outpatient Departments and Ambulatory Surgical Centers services to conform to Medicare changes, and further adopts revisions to correct technical errors, as follows:

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| Applicable FR Notices | (A) December 29, 2020 (CMS-1736-FC; 85 FR 85866)  (B) February 25, 2021 (CMS-1736-CN; 86 FR 11428)  (~~B~~ C) September 18, 2020 (CMS-1735-F; 85 FR 58432)  (C D) December 7, 2020 (CMS 1735-CN; 85 FR 78748) |
| Ambulatory Surgical Centers Payment System Addenda | For services occurring on or after March 1, 2021, Column A, of Addendum AA, entitled, “HCPCS Code” and Column A, of Addendum EE, entitled, “HCPCS Code” located in “[Correction Notice Addendum AA, BB, DD1, DD2, EE](https://www.cms.gov/medicaremedicare-fee-service-paymentascpaymentasc-regulations-and-notices/cms-1736-cn),” [January 2021 ASC Approved HCPCS Code and Payment Rates-Updated 01/27/2021 (2021\_January\_ASC\_Addenda.01272021.xlsx)](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ASCPayment/11_Addenda_Updates)(2021 CN ASC Addenda.022221.xlsx) |
| APC Payment Rate | For services occurring on or after March 1, 2021, Addendum B, dated December 29, 2020 (2021\_January\_Web\_Addendum\_B.12.29.20.xlsx) [Addendum B-Correction,](https://www.cms.gov/medicaremedicare-fee-service-paymenthospitaloutpatientppshospital-outpatient-regulations-and-notices/cms-1736-cn) dated February 22, 2021 (2021 CN Addendum B.022221.xlsx) |
| APC Relative Weight | For services occurring on or after March 1, 2021, [Addendum B-Correction,](https://www.cms.gov/medicaremedicare-fee-service-paymenthospitaloutpatientppsaddendum-and-addendum-b-updates/january-2021-correction-0) dated February 22, 2021 (2021 CN Addendum B.022221.xlsx) |
| HOPPS Addenda | For services occurring on or after March 1, 2021 addenda:   * A (Addendum A [2021 Correction Notice OPPS Addendum A](https://www.cms.gov/medicaremedicare-fee-service-paymenthospitaloutpatientppshospital-outpatient-regulations-and-notices/cms-1736-cn); January 2021; 2021\_January\_Web\_Addendum\_A.12.29.20.xlsx 2021 CN Addendum A.022221.xlsx) * B [(2021 Correction Notice OPPS Addendum B](https://www.cms.gov/medicaremedicare-fee-service-paymenthospitaloutpatientppshospital-outpatient-regulations-and-notices/cms-1736-cn); 2021 CN Addendum B.022221.xlsx) * D1 (2021 NFRM OPPS Addenda; [2021 NFRM Addendum D1-Updated 01/12/2021](https://www.cms.gov/medicaremedicare-fee-service-paymenthospitaloutpatientppshospital-outpatient-regulations-and-notices/cms-1736-fc)) * D2 (2021 NFRM OPPS Addenda; 2021 NFRM Addendum D2.11302020.xlsm) * E (2021 NFRM OPPS Addenda; 2021 NFRM Addendum E.11302020.xlsx) * J (2021 NFRM OPPS Addenda; 2021 NFRM Addendum J.11302020.xls) * L (2021 NFRM OPPS Addenda; 2021 NFRM Addendum L.11302020.xlsx) * M (202~~0~~1 NFRM OPPS Addenda; 2021 NFRM Addendum M.11302020.xlsx) * P (202~~0~~1 ~~NFRM~~ Correction Notice OPPS Addend~~a~~um P; 2021 NFRM Addendum P.11302020.xlsx 2021\_CN\_Addendum\_P.022221.xlsx) |
| Surgical Procedure HCPCS | For services rendered on or after March 1, 2021, HCPCS codes listed in column A, of CMS’ Ambulatory Surgical Center Payment System (ASC) “CY 2021 CN Jan ASC AA,” Column A, of CMS’ ASC “CY 2021 CN Jan ASC EE, and CPT codes 20560, 20561, 21811-21813, 33289, 36415,and 36456, but, excluding HCPCS codes listed on CMS’ 2021 HOPPS Addendum E as an inpatient only procedure.  ASC Addenda AA and EE may be found in: “[January 2021 ASC Approved HCPCS Code and Payment Rates-Updated 01/27/2021” (January\_ASC\_Addenda.01272021.xlsx)](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ASCPayment/11_Addenda_Updates) [Correction Notice Addendum AA, BB, DD1, DD2, EE](https://www.cms.gov/medicaremedicare-fee-service-paymentascpaymentasc-regulations-and-notices/cms-1736-cn)” (2021 CN ASC Addenda.022221.xlsx) at: https://www.cms.gov/medicaremedicare-fee-service-paymentascpaymentasc-regulations-and-notices/cms-1736-cn |
| Wage Index | Referenced in (A) beginning at page 859016; wage index values are specified in CN [Table 2](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2019-IPPS-Final-Rule-Home-Page-Items/FY2019-IPPS-Final-Rule-Tables.html?DLPage=1&DLEntries=10&DLSort=0&DLSortDir=ascending) (C) and (D) found on the [CMS](https://www.cms.gov/medicare/acute-inpatient-pps/fy-2021-ipps-final-rule-home-page#1735) website at https://www.cms.gov/medicare/acute-inpatient-pps/fy-2021-ipps-final-rule-home-page#1735 |

The Order dated February 26, 2021 remains in effect for services on or after March 1, 2021 except as modified by this Order.

The effective date of this Order is for hospital outpatient departments and ambulatory surgical center services rendered on or after March 1, 2021. This Order and the regulations shall be published on the website of the [Division of Workers’ Compensation](http://www.dir.ca.gov/DWC/OMFS9904.htm).

**IT IS SO ORDERED.**

Dated: March 3, 2021 /s/ GEORGE P. PARISOTTO

GEORGE P. PARISOTTO

Administrative Director of the

Division of Workers’ Compensation