

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 - Durable Medical Equipment,
Prosthetics, Orthotics, Supplies
Effective for Services Rendered on or after April 1, 2018**

Pursuant to Labor Code section 5307.1, subdivision (g)(2), the Administrative Director of the Division of Workers' Compensation orders that the Durable Medical Equipment, Prosthetics, Orthotics, Supplies portion of the Official Medical Fee Schedule contained in title 8, California Code of Regulations, section 9789.60, is adjusted to conform to changes to the Medicare payment system that were adopted by the Centers for Medicare & Medicaid Services (CMS) for Quarter 2, 2018.

Medicare Data Source and Incorporation by Reference

Effective for services rendered on or after April 1, 2018, the maximum reasonable fees for Durable Medical Equipment, Prosthetics, Orthotics, Supplies shall not exceed 120% of the applicable California fees set forth in the Medicare calendar year 2018 "Durable Medical Equipment, Prosthetics/Orthotics, and Supplies (DMEPOS) Fee Schedule" revised effective April 2018, contained in the electronic file "[DME18-B \[ZIP, 2MB\]](#)" which is adopted and incorporated by reference.

The fee schedule data file (DMEPOS_APR) sets forth two columns for California labelled: "CA (NR)" [California Non-Rural] and "CA (R)" [California Rural]. For the services on or after April 1, 2018 payment shall not exceed 120% of the fee set forth for the HCPCS code in the CA (NR) column, except the fee shall not exceed 120% of the fee set forth in the CA (R) column if the injured worker's residence zip code appears on the DMERuralZip_Q22018 file. Where column CA (NR) sets forth a fee for a code, but CA (R) for the code is listed as "0.00" the fee shall not exceed 120% of the CA (NR) fee, regardless of whether the injured worker's address zip code is rural or non-rural. There were no changes to the DMEPOS Rural Zip Code List for Quarter 2, 2018.

DME18-B includes the following documents:

DMEPOS_APR
DMEBACK 2018
DMEREAD 2018
DMERuralZip_Q22018

CMS has indicated that there are no second quarter updates to the 2018 Parenteral and Enteral Nutrition fee schedule (PEN) file from the previous quarter. Therefore, the Administrative Director Order dated December 21, 2017 continues to be effective for Parenteral and Enteral Nutrition fees, and the DMEPEN_JAN file contained in the ZIP file [DME18-A \[ZIP, 2MB\]](#) remains effective for services rendered on or after April 1, 2018. However, for Parenteral and Enteral Nutrition fees for services on or after April 1, 2018, use the rural zip code file DMERuralZip_Q22018.

The [update](#) includes changes identified in CR 10503. The CMS Manual System, [Pub 100-4 Medicare Claims Processing, Transmittal R4004CP, Change Request 10503](#), March 21, 2018 sets forth the changes and is relied upon in adopting this update Order.

The second quarter DMEPOS fee schedule revision is available on the Internet at the website of the Centers for Medicare & Medicaid Services at:
<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSFeeSched/DMEPOS-Fee-Schedule.html>

This Order shall be published on the website of the Division of Workers' Compensation:
<http://www.dir.ca.gov/dwc/OMFS9904.htm#3> .

IT IS SO ORDERED.

Dated: March 27, 2018

ORIGINAL SIGNED BY
GEORGE P. PARISOTTO
Administrative Director of the
Division of Workers' Compensation