

Table 1
Minnesota workers' compensation:
Changes in relative value units and conversion factors
in the 2010 medical fee schedule

This table presents data pertaining to a proposed replacement of the current medical fee schedule, based on the 1998 federal RVUs, with a new schedule based on the 2009 federal RVUs.

Service category	Change in total payments for services in both fee schedules resulting from RVU changes without a change in the conversion factor [a] [1]	Conversion factor change necessary to hold total payments constant for services in both fee schedules, given RVU changes [a,b] [2]	Change in total payments for services in both fee schedules resulting from change in RVUs and change in conversion factor in column 2 [3]	October 2009 conversion factor [4]	Conversion factor resulting from applying column-2 change to October 2009 conversion factor [5]	Change in conversion factor in line with the SAWW change effective October 1, 2010 [6]	Total change in conversion factor in response to RVU changes plus the 1.14% SAWW decrease [7]	October 2010 conversion factor [8]
Medical/surgical services	13.8%	-16.7%	0.0%	\$81.63	\$68.01	-1.14%	-17.6%	\$67.23
Physical medicine services	25.1%	-25.2%	0.0%	\$70.77	\$52.95	-1.14%	-26.0%	\$52.35
Chiropractic services	5.2%	- 8.0%	0.0%	\$58.78	\$54.10	-1.14%	- 9.0%	\$53.48
Path/lab services	63.2%	-41.2%	0.0%	\$68.17	\$40.06	-1.14%	-41.9%	\$39.60

- a. These overall changes were computed with a database of medical services and costs from a large Minnesota workers' compensation insurer.
- b. Combining the percentages in columns 1 and 2 (using the formula $[1+\text{col. 1}] \times [1+\text{col. 2}] - 1$) gives a result less than 0.0% because some charges are less than the maximum fee, which means that the increase in payments in column 1 is somewhat less, in percent terms, than the average RVU increase.
- Comparing the 2009 RVUs (proposed fee schedule) to the 1998 RVUs (current fee schedule), some RVUs increase while others decrease, but the overall change is an increase in each service category. Column 1 shows the overall payment changes resulting from the RVU changes in each service category without any conversion factor changes. The additional columns show changes in the conversion factors resulting from the overall RVU increase in each service category and from the 1.14% SAWW reduction effective Oct. 1, 2010.

Table 2
Minnesota workers' compensation medical fee schedule:
Estimated effects of replacing the current schedule
with one based on the federal RVUs for 2009 [1]

	Service category				Total
	Medical/ surgical services	Physical medicine services	Chiro- practic services	Path/lab services [8]	
Current conversion factor (effective 10/1/2009)	\$81.63	\$70.77	\$58.78	\$68.17	
Conversion factor adjustment due to RVU change [2]	-16.7%	-25.2%	-8.0%	-41.2%	
Adjusted current conversion factor [3]	\$68.01	\$52.95	\$54.10	\$40.06	
Payments in service category that are covered by current fee schedule as percentage of total medical payments [4]	24.3%	8.8%	3.2%	.1%	
Total payments in service category (regardless of fee schedule coverage) as percentage of total medical payments [4]	34.0%	9.9%	3.3%	.7%	
Change in total payments in service category [5]	-7.5%	-.2%	.1%	9.5%	
Change in total medical cost from updating the RVUs [6]					-2.39%
Actual conversion factor effective October 1, 2010 under proposed fee schedule, incorporating SAWW adjustment of -1.14% [7]	\$67.23	\$52.35	\$53.48	\$39.60	

1. Estimated with a database of workers' compensation medical services, charges, and payments from a large insurer. Services are for Nov. 16, 2007 to Nov. 15, 2008.
2. For each service category, the conversion factor adjustment is the uniform scaling of the conversion factor applicable at the time of service provision that causes total payments to be the same under both the current fee schedule (based on the 1998 RVUs) and the proposed schedule (based on the 2009 RVUs) for services with positive RVUs in both schedules.
3. Derived by applying the conversion factor adjustment in the second row to the current conversion factor.
4. Total medical payments for this calculation were computed using the current fee schedule.
5. The change in total payments for each service category occurs because payments change for services with positive RVUs under one or the other of the two fee schedules (the current schedule and the one based on the 2009 RVUs) but not under both schedules.
6. Computed without applying the -1.14% SAWW adjustment.
7. Derived by applying the -1.14% SAWW adjustment to the adjusted conversion factor in the third row.
8. For path/lab services, only the 2009 federal RVUs are used in the proposed fee schedule. Many path/lab services without federal RVUs have Minnesota-constructed RVUs in the current fee schedule.

Minnesota Department of Labor and Industry, Policy Development, Research and Statistics, Aug. 2, 2010.

Table 3.1
Minnesota workers' compensation:
Percent changes in payments within service categories
under the 2010 medical fee schedule

This table shows percent changes in payments by service category under the transition from the current fee schedule to the proposed 2010 fee schedule. The changes in payments reflect the combined effects of the new RVUs and the new conversion factors. The new conversion factors reflect the combined effects of (1) the adjustment to achieve payment neutrality within each service category for services in both schedules and (2) the 1.14 percent decrease in the SAWW.

Within each service category, the change in payments is shown for each of ten deciles. A decile is a group comprising one tenth of the cases when they are ranked by some variable of interest. In this case, within each service category, the services are ranked from lowest to highest according to the percent change in payment between the current fee schedule and the proposed schedule. The first decile consists of the lowest 10 percent, the second decile contains the next 10 percent, and so on, although here the 10 percent in each decile is based on total payments for the services under the current fee schedule, as opposed to the number of services themselves. [1]

The table shows that, for example, within medical/surgical services, the 10 percent of services with the largest decreases in payments under the proposed schedule will experience, on average, a 44.8-percent decrease in payments, while the 10 percent of services with the largest percent increases under the proposed schedule will experience, on average, and 38.2-percent increase.

Decile determined according to percent change in payments under 2010 fee schedule	Percent change in payments under proposed fee schedule as compared with current schedule							
	Medical/surgical services					Physical Medicine services	Chiro-practic services	Path/lab services
	Total	Eval. & mgmt.	Surgery	Diagnostic imaging	Other			
1st decile	-44.8%	-11.1%	-61.2%	-41.3%	-44.0%	-21.7%	-15.3%	-72.0%
2nd decile	-26.3%	-0.2%	-34.3%	-19.6%	-19.8%	-14.0%	-12.3%	-70.1%
3rd decile	-17.3%	4.9%	-31.0%	-17.5%	-8.1%	-6.8%	-12.3%	-59.4%
4th decile	-9.2%	9.1%	-27.5%	-15.3%	-1.5%	-0.5%	-11.8%	-54.8%
5th decile	-2.4%	12.2%	-23.7%	-10.7%	-1.1%	3.0%	-5.2%	-45.8%
6th decile	-0.1%	14.7%	-17.2%	-5.7%	1.3%	3.1%	-3.5%	-43.0%
7th decile	8.2%	21.9%	-8.4%	-3.8%	14.5%	3.1%	-1.4%	-13.0%
8th decile	15.0%	30.4%	-0.9%	-1.3%	17.2%	3.1%	-0.4%	6.5%
9th decile	27.5%	31.6%	17.8%	-1.1%	18.1%	4.7%	18.0%	71.9%
10th decile	38.2%	31.8%	47.6%	4.7%	52.3%	14.7%	33.0%	282.4%
Overall service category [2]	-1.14%	14.5%	-13.9%	-11.2%	2.8%	-1.14%	-1.14%	-1.13%

- For example, if there are \$1,000 of payments under the current fee schedule for medical/surgical services, the lowest decile is determined by selecting services with the smallest percent increases (or largest percent decreases) in payments under the proposed fee schedule until services accounting for 10 percent of payments (\$100) under the existing schedule have been selected. The second decile is selected from services with the next lowest percent increases (or next largest percent decreases) until services accounting for the next ten percent of payments under the current fee schedule are selected. The remaining deciles are determined in like manner for each service category.
- The overall payment reduction is 1.13% for path/lab services, instead of 1.14%, because for a small number of services the charge was less than the maximum fee.

Table 3.2
Minnesota workers' compensation:
Changes in RVUs and maximum fees for physical medicine services
under the 2010 medical fee schedule

REVISED [1]

Service code	Description	Current total RVU	New total RVU	Current maximum [2]	New maximum [3]	Change in maximum	Percent change in maximum
97024	Diathermy treatment	0.27	0.14109	\$19.11	\$7.39	-\$11.72	-61.3%
97026	Infrared therapy	0.25	0.13126	\$17.69	\$6.87	-\$10.82	-61.2%
97028	Ultraviolet therapy	0.26	0.16109	\$18.40	\$8.43	-\$9.97	-54.2%
97018	Paraffin bath therapy	0.30	0.20990	\$21.23	\$10.99	-\$10.24	-48.2%
97012	Mechanical traction therapy	0.42	0.39007	\$29.72	\$20.42	-\$9.30	-31.3%
97016	Vasopneumatic device therapy	0.42	0.40854	\$29.72	\$21.39	-\$8.33	-28.0%
97035	Ultrasound therapy	0.30	0.31075	\$21.23	\$16.27	-\$4.96	-23.4%
97150	Group therapeutic procedures	0.45	0.47888	\$31.85	\$25.07	-\$6.78	-21.3%
97140	Manual therapy	0.61	0.70769	\$43.17	\$37.05	-\$6.12	-14.2%
97750	Physical performance test	0.66	0.77929	\$46.71	\$40.80	-\$5.91	-12.7%
97032	Electrical stimulation	0.37	0.43922	\$26.18	\$22.99	-\$3.19	-12.2%
97537	Community/work reintegration	0.58	0.72769	\$41.05	\$38.09	-\$2.96	-7.2%
97001	Pt evaluation	1.49	1.89052	\$105.45	\$98.97	-\$6.48	-6.1%
97022	Whirlpool therapy	0.35	0.46735	\$24.77	\$24.47	-\$0.30	-1.2%
97003	Ot evaluation	1.49	2.00110	\$105.45	\$104.76	-\$0.69	-0.7%
97034	Contrast bath therapy	0.29	0.39922	\$20.52	\$20.90	\$0.38	1.9%
97110	Therapeutic exercises	0.55	0.75963	\$38.92	\$39.77	\$0.85	2.2%
97535	Self care mngment training	0.58	0.80633	\$41.05	\$42.21	\$1.16	2.8%
97124	Massage therapy	0.43	0.60803	\$30.43	\$31.83	\$1.40	4.6%
97530	Therapeutic activities	0.57	0.80616	\$40.34	\$42.20	\$1.86	4.6%
97116	Gait training therapy	0.47	0.66786	\$33.26	\$34.96	\$1.70	5.1%
97112	Neuromuscular reeducation	0.54	0.78667	\$38.22	\$41.18	\$2.96	7.7%
97036	Hydrotherapy	0.47	0.68548	\$33.26	\$35.88	\$2.62	7.9%
97113	Aquatic therapy/exercises	0.60	0.93395	\$42.46	\$48.89	\$6.43	15.1%
97002	Pt re-evaluation	0.59	1.01776	\$41.75	\$53.28	\$11.53	27.6%
97033	Electric current therapy	0.38	0.65565	\$26.89	\$34.32	\$7.43	27.6%
97542	Wheelchair mngement training	0.40	0.73752	\$28.31	\$38.61	\$10.30	36.4%
97004	Ot re-evaluation	0.59	1.16521	\$41.75	\$61.00	\$19.25	46.1%

1. The previous version of this table, dated Aug. 2, 2010, used the rounded version of the new total RVU to compute the new maximum fee. This version uses the unrounded version of the new total RVU, as provided in Minnesota Rules part 5221.4020, subparts 1b and 1c, effective Oct. 1, 2010. The fee schedule in effect until Oct. 1, 2010, used rounded total RVUs.
2. Computed with the current conversion factor of \$70.77 effective Oct. 1, 2009.
3. Computed with the proposed conversion factor of \$52.35 effective Oct. 1, 2010.

Minnesota Department of Labor and Industry, Policy Development, Research and Statistics, Sept. 14, 2010.

Table 3.3
Minnesota workers' compensation:
Changes in RVUs and maximum fees for chiropractic services
under the 2010 medical fee schedule
REVISED [1]

Service code	Modifier	Description	Current total RVU	New total RVU	Current maximum [2]	New maximum [3]	Change in maximum	Percent change in maximum
97024		Diathermy treatment	0.27	0.14109	\$15.87	\$7.55	-\$8.32	-52.4%
97026		Infrared therapy	0.25	0.13126	\$14.70	\$7.02	-\$7.68	-52.2%
97028		Ultraviolet therapy	0.26	0.16109	\$15.28	\$8.62	-\$6.66	-43.6%
97018		Paraffin bath therapy	0.30	0.20990	\$17.63	\$11.23	-\$6.40	-36.3%
72170	TC	X-ray exam of pelvis	0.50	0.44725	\$29.39	\$23.92	-\$5.47	-18.6%
73020	TC	X-ray exam of shoulder	0.45	0.40793	\$26.45	\$21.82	-\$4.63	-17.5%
73020		X-ray exam of shoulder	0.66	0.60953	\$38.79	\$32.60	-\$6.19	-16.0%
97012		Mechanical traction therapy	0.42	0.39007	\$24.69	\$20.86	-\$3.83	-15.5%
72170		X-ray exam of pelvis	0.73	0.67868	\$42.91	\$36.30	-\$6.61	-15.4%
72070	TC	X-ray exam of thorax spine	0.62	0.57994	\$36.44	\$31.02	-\$5.42	-14.9%
73500	TC	X-ray exam of hip	0.45	0.42759	\$26.45	\$22.87	-\$3.58	-13.5%
73500		X-ray exam of hip	0.69	0.65902	\$40.56	\$35.24	-\$5.32	-13.1%
72010	26	X-ray exam of spine	0.62	0.59252	\$36.44	\$31.69	-\$4.75	-13.0%
72070		X-ray exam of thorax spine	0.92	0.88103	\$54.08	\$47.12	-\$6.96	-12.9%
73020	26	X-ray exam of shoulder	0.21	0.20160	\$12.34	\$10.78	-\$1.56	-12.6%
73070	26	X-ray exam of elbow	0.21	0.20160	\$12.34	\$10.78	-\$1.56	-12.6%
73500	26	X-ray exam of hip	0.24	0.23143	\$14.11	\$12.38	-\$1.73	-12.3%
73610	26	X-ray exam of ankle	0.24	0.23143	\$14.11	\$12.38	-\$1.73	-12.3%
73030	TC	X-ray exam of shoulder	0.54	0.52096	\$31.74	\$27.86	-\$3.88	-12.2%
73562	26	X-ray exam of knee	0.26	0.25126	\$15.28	\$13.44	-\$1.84	-12.0%
98943		Chiropractic manipulation	0.65	0.62854	\$38.21	\$33.61	-\$4.60	-12.0%
72080	TC	X-ray exam of trunk spine	0.64	0.61926	\$37.62	\$33.12	-\$4.50	-12.0%
98940		Chiropractic manipulation	0.69	0.66871	\$40.56	\$35.76	-\$4.80	-11.8%
97016		Vasopneumatic device therapy	0.42	0.40854	\$24.69	\$21.85	-\$2.84	-11.5%
73030		X-ray exam of shoulder	0.79	0.77222	\$46.44	\$41.30	-\$5.14	-11.1%
72050	26	X-ray exam of neck spine	0.43	0.42058	\$25.28	\$22.49	-\$2.79	-11.0%
72110	26	X-ray exam of lower spine	0.43	0.42058	\$25.28	\$22.49	-\$2.79	-11.0%
72080		X-ray exam of trunk spine	0.94	0.92035	\$55.25	\$49.22	-\$6.03	-10.9%
73070		X-ray exam of elbow	0.71	0.69800	\$41.73	\$37.33	-\$4.40	-10.5%
72052	26	X-ray exam of neck spine	0.50	0.49269	\$29.39	\$26.35	-\$3.04	-10.3%
72114	26	X-ray exam of lower spine	0.50	0.49269	\$29.39	\$26.35	-\$3.04	-10.3%
72074		X-ray exam of thoracic spine	1.18	1.17100	\$69.36	\$62.63	-\$6.73	-9.7%
73070	TC	X-ray exam of elbow	0.50	0.49640	\$29.39	\$26.55	-\$2.84	-9.7%
72074	TC	X-ray exam of thoracic spine	0.87	0.86991	\$51.14	\$46.52	-\$4.62	-9.0%
72090	26	X-ray exam of trunk spine	0.39	0.39058	\$22.92	\$20.89	-\$2.03	-8.9%
72040	26	X-ray exam of neck spine	0.30	0.30109	\$17.63	\$16.10	-\$1.53	-8.7%
72070	26	X-ray exam of thorax spine	0.30	0.30109	\$17.63	\$16.10	-\$1.53	-8.7%
72074	26	X-ray exam of thoracic spine	0.30	0.30109	\$17.63	\$16.10	-\$1.53	-8.7%
72080	26	X-ray exam of trunk spine	0.30	0.30109	\$17.63	\$16.10	-\$1.53	-8.7%
72100	26	X-ray exam of lower spine	0.30	0.30109	\$17.63	\$16.10	-\$1.53	-8.7%
72120	26	X-ray exam of lower spine	0.30	0.30109	\$17.63	\$16.10	-\$1.53	-8.7%
72190	26	X-ray exam of pelvis	0.29	0.29109	\$17.05	\$15.57	-\$1.48	-8.7%
73030	26	X-ray exam of shoulder	0.25	0.25126	\$14.70	\$13.44	-\$1.26	-8.6%
72170	26	X-ray exam of pelvis	0.23	0.23143	\$13.52	\$12.38	-\$1.14	-8.4%
73100	26	X-ray exam of wrist	0.22	0.22143	\$12.93	\$11.84	-\$1.09	-8.4%
72020	26	X-ray exam of spine	0.21	0.21143	\$12.34	\$11.31	-\$1.03	-8.3%
72020		X-ray exam of spine	0.61	0.61936	\$35.86	\$33.12	-\$2.74	-7.6%
72020	TC	X-ray exam of spine	0.40	0.40793	\$23.51	\$21.82	-\$1.69	-7.2%
97035		Ultrasound therapy	0.30	0.31075	\$17.63	\$16.62	-\$1.01	-5.7%
98941		Chiropractic manipulation	0.88	0.92769	\$51.73	\$49.61	-\$2.12	-4.1%
72050		X-ray exam of neck spine	1.28	1.35930	\$75.24	\$72.70	-\$2.54	-3.4%
97150		Group therapeutic procedures	0.45	0.47888	\$26.45	\$25.61	-\$0.84	-3.2%
73100		X-ray exam of wrist	0.69	0.73749	\$40.56	\$39.44	-\$1.12	-2.8%
72100		X-ray exam of lower spine	0.94	1.00882	\$55.25	\$53.95	-\$1.30	-2.4%

Table 3.3 (continued)
Minnesota workers' compensation:
Changes in RVUs and maximum fees for chiropractic services
under the 2010 medical fee schedule
REVISED [1]

Service code	Modifier	Description	Current total RVU	New total RVU	Current maximum [2]	New maximum [3]	Change in maximum	Percent change in maximum
73610		X-ray exam of ankle	0.75	0.80647	\$44.09	\$43.13	-\$0.96	-2.2%
72052		X-ray exam of neck spine	1.58	1.70665	\$92.87	\$91.27	-\$1.60	-1.7%
72110		X-ray exam of lower spine	1.30	1.40845	\$76.41	\$75.32	-\$1.09	-1.4%
72120		X-ray exam of lower spine	1.16	1.25947	\$68.18	\$67.36	-\$0.82	-1.2%
73100	TC	X-ray exam of wrist	0.47	0.51606	\$27.63	\$27.60	-\$0.03	-0.1%
73562		X-ray exam of knee	0.80	0.88035	\$47.02	\$47.08	\$0.06	0.1%
72040		X-ray exam of neck spine	0.87	0.95967	\$51.14	\$51.32	\$0.18	0.4%
72050	TC	X-ray exam of neck spine	0.85	0.93872	\$49.96	\$50.20	\$0.24	0.5%
72190		X-ray exam of pelvis	0.93	1.02831	\$54.67	\$54.99	\$0.32	0.6%
72100	TC	X-ray exam of lower spine	0.64	0.70773	\$37.62	\$37.85	\$0.23	0.6%
98942		Chiropractic manipulation	1.08	1.20912	\$63.48	\$64.66	\$1.18	1.9%
72052	TC	X-ray exam of neck spine	1.08	1.21396	\$63.48	\$64.92	\$1.44	2.3%
72120	TC	X-ray exam of lower spine	0.85	0.95838	\$49.96	\$51.25	\$1.29	2.6%
73610	TC	X-ray exam of ankle	0.51	0.57504	\$29.98	\$30.75	\$0.77	2.6%
72010		X-ray exam of spine	1.60	1.80648	\$94.05	\$96.61	\$2.56	2.7%
72114		X-ray exam of lower spine	1.63	1.84427	\$95.81	\$98.63	\$2.82	2.9%
72110	TC	X-ray exam of lower spine	0.87	0.98787	\$51.14	\$52.83	\$1.69	3.3%
72190	TC	X-ray exam of pelvis	0.64	0.73722	\$37.62	\$39.43	\$1.81	4.8%
72040	TC	X-ray exam of neck spine	0.57	0.65858	\$33.50	\$35.22	\$1.72	5.1%
97140		Manual therapy	0.61	0.70769	\$35.86	\$37.85	\$1.99	5.5%
73562	TC	X-ray exam of knee	0.54	0.62909	\$31.74	\$33.64	\$1.90	6.0%
99201		Office/outpatient visit, new	0.84	0.98817	\$49.38	\$52.85	\$3.47	7.0%
97750		Physical performance test	0.66	0.77929	\$38.79	\$41.68	\$2.89	7.5%
72090		X-ray exam of trunk spine	1.03	1.21627	\$60.54	\$65.05	\$4.51	7.4%
97032		Electrical stimulation	0.37	0.43922	\$21.75	\$23.49	\$1.74	8.0%
72114	TC	X-ray exam of lower spine	1.13	1.35158	\$66.42	\$72.28	\$5.86	8.8%
72010	TC	X-ray exam of spine	0.98	1.21396	\$57.60	\$64.92	\$7.32	12.7%
97537		Community/work reintegration	0.58	0.72769	\$34.09	\$38.92	\$4.83	14.2%
72090	TC	X-ray exam of trunk spine	0.64	0.82569	\$37.62	\$44.16	\$6.54	17.4%
99202		Office/outpatient visit, new	1.32	1.70814	\$77.59	\$91.35	\$13.76	17.7%
97022		Whirlpool therapy	0.35	0.46735	\$20.57	\$24.99	\$4.42	21.5%
99203		Office/outpatient visit, new	1.82	2.46301	\$106.98	\$131.72	\$24.74	23.1%
99212		Office/outpatient visit, est	0.73	0.99800	\$42.91	\$53.37	\$10.46	24.4%
99211		Office/outpatient visit, est	0.37	0.50667	\$21.75	\$27.10	\$5.35	24.6%
97034		Contrast bath therapy	0.29	0.39922	\$17.05	\$21.35	\$4.30	25.2%
97110		Therapeutic exercises	0.55	0.75963	\$32.33	\$40.63	\$8.30	25.7%
97535		Self care mngment training	0.58	0.80633	\$34.09	\$43.12	\$9.03	26.5%
97124		Massage therapy	0.43	0.60803	\$25.28	\$32.52	\$7.24	28.6%
97530		Therapeutic activities	0.57	0.80616	\$33.50	\$43.11	\$9.61	28.7%
97116		Gait training therapy	0.47	0.66786	\$27.63	\$35.72	\$8.09	29.3%
97112		Neuromuscular reeducation	0.54	0.78667	\$31.74	\$42.07	\$10.33	32.5%
97036		Hydrotherapy	0.47	0.68548	\$27.63	\$36.66	\$9.03	32.7%
97113		Aquatic therapy/exercises	0.60	0.93395	\$35.27	\$49.95	\$14.68	41.6%
99213		Office/outpatient visit, est	1.04	1.66460	\$61.13	\$89.02	\$27.89	45.6%
97033		Electric current therapy	0.38	0.65565	\$22.34	\$35.06	\$12.72	56.9%
97542		Wheelchair mngement training	0.40	0.73752	\$23.51	\$39.44	\$15.93	67.8%

1. The previous version of this table, dated Aug. 2, 2010, used the rounded version of the new total RVU to compute the new maximum fee. This version uses the unrounded version of the new total RVU, as provided in Minnesota Rules part 5221.4020, subparts 1b and 1c, effective Oct. 1, 2010. The fee schedule in effect until Oct. 1, 2010, used rounded total RVUs.
2. Computed with the current conversion factor of \$58.78 effective Oct. 1, 2009.
3. Computed with the proposed conversion factor of \$53.48 effective Oct. 1, 2010.