



**Bureau of Workers' Compensation**

30W. Spring St.  
Columbus, OH 43215-2256

Governor **John R. Kasich**  
Administrator/CEO **Sarah D. Morrison**

www.bwc.ohio.gov  
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**Stakeholder Feedback Recommendations for Changes to the Ambulatory Surgery Center Fee Schedule – O.A.C. 4123-6-37.3**

Line #	Rule #/Subject Matter	Stakeholder	Draft Rule Suggestions	Stakeholder Rationale	BWC Response	Resolution
1	BWC Arthroplasty Program	Ohio Association of Ambulatory Surgery Centers (OAASC)	In our opinion, the only way to make this program a success is to address implant costs either through reimbursement of implants by invoice (capped if necessary), a third party BWC approved implant vendor (which we have discussed for several years), or adjustment of reimbursement levels that more adequately cover implant and overhead costs.	OAASC remains concerned for ASC utilization of the arthroplasty program due to fees insufficiently covering implant costs.	Since these arthroplasty procedures are unable to be performed in an ASC under Medicare, reimbursement rates are determined by BWC. BWC has priced these procedures through various pricing methodologies, assisted by Medicare fee schedule consultants. Additionally, the rate setting methodology factors in the costs of device implants through the use of the device-intensive payment adjustment factor which was developed last year to address those concerns. BWC has extremely limited data on Ohio ASC implant costs and the existing data shows costs for similar devices can vary greatly from ASC to ASC. BWC continues to consider opportunities to evaluate costs which may include reimbursement by invoice.	No modification needed.
2	ASC fee schedule rates	Ohio Association of Ambulatory Surgery Centers (OAASC)	Similar surgical settings should be reimbursed by the BWC in an equitable manner to cover costs and provide Ohio's injured worker the services needed in the highest quality, most cost efficient setting.	OAASC indicates that Medicare ASC rates have not kept track with inflation increases in other medical sectors. A decade ago, ASCs were reimbursed by Medicare 80% of the hospital outpatient rate. Today that is 50% of that hospital Medicare rate. The sole reason that the BWC is	BWC models the ASC fee schedule based on Medicare, which includes the empirical evidence and research on setting fees. The Medicare final rule sets forth actions that will help reduce the gap between reimbursement rates among ASCs and hospital outpatient facilities. Medicare changes for ASCs include the adoption of the hospital market basket payment update, expanding procedures to the approved ASC list, and lowering the device	No modification needed.



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				projecting a minor total ASC payment increase for 2019 is due to changes made by Medicare.	offset percentage threshold to 30 percent for ASC device-intensive procedures. BWC acknowledges the lack of increases relative to other medical sectors but aligns with Medicare's actions in the final rule to relieve the reimbursement disparities among the sites of service. The lack of ASC cost data continues to hamper our ability to reimburse ASCs similarly to BWC's hospital reimbursement methodologies. Additionally, the Medicare Payment Advisory Commission (MedPAC) March report indicates that most of the indicators of payment adequacy are stable; ASCs appear to have adequate access to capital; and Medicare payments to ASCs have continued to grow.	
3	General comments	Ohio Association of Ambulatory Surgery Centers (OAASC)	OAASC thanks BWC for sharing these comments and remain committed to working with the BWC staff again to establish a reimbursement methodology for outpatient surgical procedures that truly assists everyone in the system.		BWC also remains committed to working with OAASC and its members to ensure injured worker access to quality care and fair reimbursement to ASCs for their services. We are pleased with our collaborative efforts so far.	No modifications needed