Workers' Comp

Industrial Commission of Arizona Adopts New Fee Schedule

September 3, 2021
2 MIN READ
Author profile image

Brian Allen

Vice President, Government Affairs

Earlier this year, the Industrial Commission of Arizona (ICA) released a proposed fee schedule for the coming year and a public hearing was held on July 29, 2021. A number of stakeholders offered comments at the hearing and submitted written comments. The Commission reviewed those comments and made changes based on stakeholder input. On September 2, 2021, the ICA approved their revised version of the 2021-2022 Physician and Pharmaceutical Fee Schedule. The new fee schedule will be effective on October 1, 2021.

There were changes to the general medical portions of the fee schedule. Highlights include:

- Clarified that reimbursement for telehealth services is governed by the fee schedule and performance of telehealth services is governed by Arizona Revised Statutes, Title 36, Chapter 36
- Clarified that ambulance fees are governed by the Arizona Department of Health Services Ground Ambulance Service Rate Schedule
- Clarified that drugs administered in-office are reimbursed according to the pharmaceutical fee schedule
- Updated conversion factors for RBRVS codes
- Amended the application of billing codes and procedural time rules in the following sections of the fee schedule:
    - Physical Medicine and Rehabilitation
    - Evaluation and Management

The pharmaceutical fee schedule was also updated. Highlights include:

- Guidance added instructing practitioners to prescribe and practitioners and pharmacies to dispense less costly drugs and generic drugs with lower AWP values
- Definitions for “pharmacy accessible to the general public” and “pharmacy not accessible to the general public,” updated to reflect the legislative changes made earlier this year

- Added a definition of “Therapeutically-similar”
- Clarified that the reimbursement value for prescription medications is based on the original manufacturer's NDC
- Prescription drugs will be reimbursed as follows:
    - Generics: 75% of AWP plus dispensing fee
    - Brand: 85% of AWP plus dispensing fee
- Reimbursement for over-the-counter (OTC) drugs are based on the retail price of the OTC medications
- OTCs not commercially available are reimbursed as follows:
    - $30.00 for a 30-day supply for a topical cream or lotion
    - $75.00 for a 30-day supply of topical patches

This is a summary of the highlights of the changes. A full version containing all changes in the approved proposal can be found here.



©2022 Enlyte Group, LLC.

mitchell | genex | coventry