MEMORANDUM

TO: LMS registered users

FROM: Robert Walker, Commissioner

DATE: February 2, 2022

RE: Workers’ Compensation Hospital Fee Schedule – 803 KAR 25:091

In response to questions and concerns that have arisen concerning some language contained in 803 KAR 25:091, Workers’ Compensation Hospital Fee Schedule, the Department offers the following clarification and amendment:

(1) As originally filed, 803 KAR 25:091 contained provisions that spoke directly to charges for surgical implants and surgical hardware; charges for surgical implants and surgical hardware were to be reimbursed at invoice cost plus fifteen (15) percent and the hospital was to provide a copy of the invoice.

(2) In response to comments from stakeholders, the proposed administrative regulation was amended to remove those provisions; however,

(3) The final regulation inadvertently contained language that made reference to the removed provisions;

(4) Until a new amended administrative regulation can be promulgated to remove the inadvertent language, Section 3(2)(a) shall be read and applied as if it states “Except as established in paragraph (b) of this subsection, the reimbursement to a hospital for services or supplies furnished to an employee that are compensable under KRS 342.020 shall be calculated by multiplying the hospital’s charges by its adjusted cost-to-charge ratio after removing any duplicative charges, billing errors, and charges for services or supplies not confirmed by the hospital records.”;
(5) Until a new amended administrative regulation can be promulgated to remove the inadvertent language, Section 5(3)(a) shall be read and applied as if it states “Reimbursement to an ambulatory surgical center for services or supplies furnished to an employee that are compensable under KRS 342.020 shall be calculated by multiplying the ambulatory surgical center’s charges by its assigned cost-to-charge ratio after removing any duplicative charges, billing errors, and charges for services or supplies not confirmed by ambulatory surgical center records.”

If you have further questions, please send them to dale.hamblin@ky.gov. Thank you for your cooperation.