



STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES
PO BOX 44322 OLYMPIA WA 98504-4322

November 20, 2008

Dear IME Provider,

To meet our commitment to the State Legislature we are working with representatives from business and labor, our major stakeholders, to improve the quality of the independent medical examinations (IME) and reports. Another benefit of our IME project will be to increase worker satisfaction with the IME process.

We have identified payment for independent medical examination (IME) exams and associated costs as an issue. Specifically, different reimbursement rates are being charged and paid for IMEs and associated costs for state fund and self-insured claims. A second issue we identified was who is required to follow the department's fee schedule.

The purpose of this letter is to clarify the rules and regulations regarding these issues and make you aware of our concern.

The payment for services by medical providers, including IME medical examiners, is very clear in the RCWs and WACs. These payments apply equally whether you are being paid from the state fund or by a self-insured employer. For your reference, a copy of the current fee schedule is included with this letter.

RCW 51.04.030(2) directs the establishment of a fee schedule by the director for the maximum charges to be paid to any medical provider. It states that "no service covered under this title, including services provided to injured workers, [...], shall be charged or paid at a rate or rates exceeding those specified in such fee schedule, and no contract providing for greater fees shall be valid as to the excess."

WAC 296-20-020 identifies who is governed by the department's fee schedule. This WAC states "the filing of an accident report or the rendering of treatment to a worker who comes under the department's or self-insurer's jurisdiction, as the

case may be, constitutes acceptance of the department's medical aid rules and compliance with its rules and fees.”

WAC 296-20-125 explains the department's billing procedures. It states that “all services rendered must be in accordance with the medical aid rules, fee schedules, and department policy. The department or self-insurer may reject bills for services rendered in violation of these rules. Workers may not be billed for services rendered in violation of these rules.”

It is appropriate to bill your usual and customary fee for the service(s) you provided. However, if your usual and customary fee is greater than the department's fee schedule, the payment will be adjusted to the amount shown in the fee schedule. If your usual and customary fee for service(s) is less than the department's fee schedule, then your usual and customary fee is paid. This applies to IMEs performed for state fund or self-insured claims.

The proper payment for state fund and self-insured IME exams and associated costs will be an issue the department will continue to monitor. Your cooperation in this effort is much appreciated.

I want to keep you informed of the activities involved in this quality assurance effort as it moves forward and revisions to the department's policies are made. The [What's New for Independent Medical Examiners](#) section of our website will be a good source of information on this project. Our website is located at: <http://www.lni.wa.gov/ClaimsIns/Providers/Treatment/IME/>.

If you have any questions, please feel free to contact me.

Sincerely,


Gary Walker, MA, MPA
Manager, Provider Review and Education
360-902-6823

Attachment

INDEPENDENT MEDICAL EXAMS (IME)

Only doctors with an IME provider account numbers can bill IME codes. To obtain an application, go to <http://www.LNI.wa.gov/forms/pdf/245046af.pdf>

Or, for Crime Victims contact the Crime Victims Compensation Program Provider Registration desk at 360-902-5377.

For more information on becoming an approved IME provider or to perform impairment ratings, please see the *Medical Examiners' Handbook* at <http://www.LNI.wa.gov/IPUB/252-001-000.pdf> or go to <http://www.lni.wa.gov/ClaimsIns/Providers/Treatment/IME/BecomeIMEProv/default.asp>.

To receive e-mail updates on IMEs, subscribe to the ListServ at <http://www.LNI.wa.gov/Main/Listservs/IME.asp>.

IME Unique Billing Codes

Code	Description	Maximum Fee
1100M	IME, microfiche handling, initial 10 pages of fiche with referral. 1. Payable only once per referral. 2. You may not bill this code if you are provided with a paper copy of the claim record.	\$ 58.82
1101M	IME, microfiche handling, per fiche page beyond 10 3.1 unit equals 1 microfiche page. 4. Use code with associated units only once per referral.	\$ 5.89 (per fiche page)
1104M	IME, addendum report. Requested and authorized by claim manager. 5. Addendum report for information not requested in original assignment, which necessitates review of records. 6. Not to be used for review of job analysis or review of diagnostic testing or study results ordered by the examiner.	\$ 113.40
1105M	IME Physical Capacities Estimate. Must be requested by the insurer. Bill under lead examiners's provider account number for multi-examiner exams	\$ 30.27
1108M	IME, standard exam – 1-3 body areas or organ systems 7. Use this code if there are only 1-3 body areas or organ systems that need to be examined for sufficient evaluation of the accepted condition(s). 8. An appropriate exam and reporting of an injury or condition limited to 1-3 body areas or organ systems. 9. Records are reviewed and the report includes a detailed chronology of the injury or condition as described in the <i>Medical Examiners' Handbook</i> . 10. Physical exam is directed only toward the affected body areas or organ systems. 11. Diagnostic tests needed are ordered and interpreted. Impairment rating is performed if requested. 12. The IME report must contain the required elements noted in the <i>Medical Examiners' Handbook</i> . 13. The report conclusions address how the examined body areas or organ systems relate to the accepted or contended work related injury(s) or condition(s). 14. Includes review of up to 2 job analyses. 15. L&I expects that these exams will typically involve at least 30 minutes of face-to-face time with the patient. 16. This code can be used by: Single examiners, leads on multi-examiner exams where findings from other examiners are combined into 1 report, & examiners on multi-examiner exams who perform separate file review, exam and standalone reports. Additional examiners who are not leads: Use 1112M. **	\$ 493.56
1109M	IME, complex exam – 4 or more body areas or organ systems 17. Use this code if there are 4 or more body areas or organ systems that need to be examined for sufficient evaluation of the accepted condition(s). 18. An appropriate exam and reporting of an injury or condition of 4 or more body	\$ 616.93

Code	Description	Maximum Fee
	<p>areas or organ systems.</p> <p>19. Records are reviewed and the report includes a detailed chronology of the injury or condition, as described in the <i>Medical Examiners' Handbook</i>.</p> <p>20. Physical exam is directed only toward the affected body areas or organ systems.</p> <p>21. Diagnostic tests needed are ordered and interpreted.</p> <p>22. Impairment rating is performed if requested.</p> <p>23. The report conclusions address how the examined body areas or organ systems relate to the accepted or contended work related injury(s) or condition(s).</p> <p>24. The IME report must contain the required elements noted in the <i>Medical Examiners' Handbook</i>.</p> <p>25. Includes review of up to 2 job analyses.</p> <p>26. L&I expects that these exams will typically involve at least 45 minutes of face-to-face time with the patient.</p> <p>27. This code can be used by:</p> <p>28. Single examiners,</p> <p>29. Leads on multi-examiner exams where findings from other examiners are combined into 1 report, &</p> <p>30. Examiners on multi-examiner exams who perform separate file review, exam and standalone reports.</p> <p>Additional examiners who are not leads: Use 1112M. **</p>	
1111M	<p>IME, no-show fee, per examiner.</p> <p>31. Bill only if appointment time cannot be filled and cancellation is within 3 business days of exam. Business days are Monday through Friday.</p> <p>32. Not payable for no-shows of IME related services (for example, neuropsychological evaluations, performance based PCEs).</p>	\$ 210.03
1112M	<p>IME, additional examiner for IME</p> <p>33. Use where input from more than 1 examiner is combined into 1 report. Includes:</p> <p>34. Record review,</p> <p>35. Exam, and</p> <p>36. Contribution to combined report</p> <p>Note: Lead examiner on IMEs with a combined report should bill a standard or complex exam code (1108M or 1109M).</p>	\$ 439.50
1118M	<p>IME by psychiatrist</p> <p>37. Psychiatric diagnostic interview with or without direct observation of a physical exam.</p> <p>38. Includes review of records, other specialist's exam results, if any</p> <p>39. Consultation with other examiners and submission of a joint report if scheduled as part of a panel.</p> <p>40. Report includes a detailed chronology of the injury or condition, as described in the <i>Medical Examiners' Handbook</i>.</p> <p>41. Also includes impairment rating, if applicable.</p>	\$ 893.15
1120M	<p>IME, no-show fee, psychiatrist</p> <p>42. Bill only if appointment time cannot be filled and cancellation is within 3 business days of exam. Business days are Monday thru Friday.</p> <p>43. Not payable for no-shows of IME related services (for example, neuropsychological evaluations).</p>	\$ 325.56
1122M	<p>Impairment rating by an approved pain program</p> <p>44. Program must be approved by insurer</p> <p>45. Impairment rating must be requested by the insurer.</p> <p>46. Must be performed by a doctor currently licensed in medicine and surgery (including osteopathic and podiatric physicians), dentistry, or L&I approved chiropractic examiners. See WAC 296-20-2010.</p> <p>47. The rating report must include at least the following elements as described in the <i>Medical Examiners' Handbook</i>:</p> <p>48. MMI (maximum medical improvement)</p> <p>49. Physical exam</p> <p>50. Diagnostic tests</p>	\$ 493.56

Code	Description	Maximum Fee
	51. Rating 52. Rationale	
1123M	IME, communication issues 53. Exam was unusually difficult due to expressive problems, such as a stutter, aphasia or need for a translator in a case that required an extensive history as described in the report. 54. Bill once per examiner per exam. 55. Not payable with a no-show fee (1111M or 1120M).	\$ 198.48
1124M	IME, other, by report 56. Requires preauthorization and prepay review. For State Fund claims call Provider Review and Education at 360-902-6818. For self-insured claims contact the self-insured employer or third party administrator.	by report
1125M	Physician travel per mile 57. Allowed when roundtrip exceeds 14 miles. 58. Code usage is limited to extremely rare circumstances. 59. Requires preauthorization and prepay review. For State Fund claims call Provider Review and Education at 360-902-6818. For self-insured claims contact the self-insured employer or third party administrator.	\$ 4.84
1128M	Occupational disease history. 60. Must be requested by insurer. 61. Occupational carpal tunnel syndrome, noise-induced hearing loss, occupational dermatitis, and occupational asthma are examples of conditions which L&I considers occupational diseases. 62. The legal standard is different for occupational diseases than for occupational injuries. 63. This is a detailed assessment of work-relatedness, with the exact content presented in the <i>Medical Examiners' Handbook</i> . 64. A doctor may bill this code ONLY ONCE for each patient.	\$ 183.56
1129M	IME, extensive file review by examiner 65. Bill for each additional page beyond the first 550 hardcopy pages included in the base exam fee (1108M, 1109M, 1118M or 1130M). 66. Units of service are based on the number of hardcopy pages contained on microfiche OR only the following documents contained in the Claim and Account Center, unless the authorizing letter requests a review of ALL documents: 67. Medical Provider 68. Voc Rehab Provider 69. History 70. Report of Accident 71. Re-open Application 72. Bill per examiner. Note- 73. Review of first 550 hardcopy pages is included with the IME fee. 74. A detailed chronology of the injury or condition must be included in the report as defined by the Medical Examiners' Handbook. 75. Not payable with 1111M or 1120M.	\$ 1.00
1130M	IME, terminated exam 76. Bill for exam ended prior to completion. 77. Requires file review, partial exam and report (including reasons for early termination of exam).	\$ 351.59
1131M	IME, out-of-state exam	by report

Code	Description	Maximum Fee
1132M	Document handling, per page (payable only once per IME referral) Charges must be based only on the following documents in the Claim and Account Center unless the authorizing letter requests a review of ALL documents: 78. Report of Accident 79. Re-open application 80. Medical Provider 81. Voc Rehab Provider 82. History	\$ 0.07 per printed page
1133M	IME, CAC document processing fee (payable only once per IME referral)	\$ 58.82
Modifier -7N	X-rays and laboratory services in conjunction with an IME. 83. When X-rays, laboratory and other diagnostic tests are provided with an exam, identify the service(s) by adding the modifier – 7N to the usual procedure number. Procedure codes are listed in the L&I Fee Schedules, Radiology and Laboratory Sections.	N/A

Billing State Fund (L&I) for In-State IMEs

For IMEs performed in Washington State, examiners need 1 IME provider account number for each payee they wish to designate.

An IME examiner not working through any IME firms will need just 1 IME number, which will also serve as their payee number.

HOW IME FIRMS MUST BILL FOR IMES CONDUCTED IN WASHINGTON STATE

The chart below shows which provider account number and/or National Provider Identifier (NPI) to use in 24J of the CMS 1500 form based on the IME service provided. The NPI must be registered with the department.

Use only the IME examiner's provider account number/NPI for these codes:		Use only the IME firm provider account number/NPI for these codes:	The following codes may be billed by the IME examiner, the IME firm, or by the performing provider. Only 1 provider may bill these codes:
1028M	1118M	1100M	1124M
1038M	1120M	1101M	CPT [®] Code 90801
1048M	1123M		CPT [®] Codes 96101, 96102
1066M	1125M		CPT [®] Codes 96118, 96119
1104M 1105M	1128M		X-ray, diagnostic laboratory tests in conjunction with IME (Use modifier -7N.)
1108M	1129M		1045M
1109M	1130M		
1111M 1112M	CPT [®] Codes 99441-99443		

NOTE: On CMS-1500, IME firms may use their own provider account number (box 33b) and/or NPI (box 33a) as the "payee" although it is not required if the same provider account number /NPI is in box 24J.

Billing for Out-of-State IMEs

- A separate provider account number is required for IMEs conducted outside of Washington State.
- IME examiners must meet L&I's criteria for approved examiners.
- IME examiners must be approved by L&I. To obtain the procedures and an IME provider application, go to

<http://www.LNI.wa.gov/ClaimsIns/Providers/Treatment/IME/BecomeIMEProvider/default.asp> When you submit your application include a copy of the doctor's license for the state where the exam will be conducted and a current curriculum vitae (CV).

- Firms will not be required to put the examiner provider account number on State Fund bills.
- Bills for out-of-state IMEs must contain the IME firm's provider account number in box 33b of the CMS-1500 bill form.
- Bill your usual and customary fees.
- Use billing code 1131M for all services, **except** 1100M and 1101M, and the CPT[®] codes for neuropsychological evaluation and testing. Combine all 1131M charges into one line-item on your bill. Also use 1131M for activities occurring after the IME, such as addendums.
- L&I and self insurers will reimburse 1131M by report.

Standard and Complex Coding

The exam should be sufficient to achieve the purpose and reason the exam was requested. Choose the code based on the number of body areas or organ systems that need to be examined to fully evaluate the accepted condition(s) or the condition(s) contended as work related. Be sure the report documents the relationship of the areas examined to the accepted or contended conditions.

The definitions of body areas and organ systems from the Current Procedural Terminology (CPT[®]) book must be used to distinguish between standard and complex IMEs.

The following **body areas** are recognized:

Head, including the face	Genitalia, groin, buttock
Neck	Back
Chest, including breasts and axilla	Each extremity
Abdomen	

The following **organ systems** are recognized:

Eyes	Musculoskeletal
Ears, Nose, Mouth and Throat	Skin
Cardiovascular	Neurologic
Gastrointestinal	Psychiatric
Respiratory	Hematologic/Lymphatic/Immunologic
Genitourinary	

NOTE: Each extremity is counted once per extremity examined, when determining standard or complex codes. For example, in a case of bilateral carpal tunnel syndrome, if both right and left extremities are examined, 2 body areas would be counted.