



STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES
PO BOX 44890 OLYMPIA WA 98504-4890

December 23, 2008

To: All Self Insured Employers and Third Party Administrators
From: Jean M. Vanek, Self Insurance Program Manager
Subject: Reimbursement per Fee Schedule

On November 20, 2008, Gary Walker, L&I's Provider Review and Education Manager, sent the attached letter to all Independent Medical Examination (IME) providers. Special emphasis is currently being given to improving the quality of IME exams and reports. L&I's Self Insurance and State Fund programs are working with representatives from business and labor to make significant improvements in this critical process. The topic of reimbursement for IME services has been a long-standing and controversial issue. This letter is to address appropriate reimbursement for IMEs by self insured employers and third party administrators.

WAC 296-15-330 states that every self-insurer must:

- (1) Authorize treatment and pay bills in accordance with Title 51 RCW and the medical aid rules and fee schedules of the State of Washington.
- (2) Provide a written explanation of benefits (EOB) to the provider, with a copy to the worker, if requested, for each bill adjustment. A written explanation is not required if the adjustment was made solely to conform to the maximum allowable fees as set by the department.
- (3) Establish procedures to ensure prompt responses to inquiries regarding authorization decisions and bill adjustments.

In other words, self-insured employers and their third party administrators are limited to reimbursing IME providers – and, in fact, all medical providers – according to L&I's fee schedule. The fee schedule amounts represent the allowed maximum reimbursement for medical services. For your reference and convenience, a copy of the current fee schedule is attached. We have also included a copy of "IME Billing Tips," a quick reference guide that can assist you with billing procedures and issues.

If you have questions about this communication, please call Carole Winegar, Self Insurance Occupational Nurse Consultant, at (360) 902-6708.