

1
2 **VMS RESOLUTION**
3 **PHYSICIAN REIMBURSEMENT UNDER VERMONT'S WORKERS'**
4 **COMPENSATION MEDICAL FEE SCHEDULE**

5 *Adopted at 191st VMS Annual Meeting, October 23, 2004*

6
7 Whereas, Recently enacted legislation relating to Vermont's workers' compensation
8 system mandates that the Vermont Department of Labor & Industry develop and
9 implement mechanisms on or before February 1, 2005 designed to control medical costs
10 while assuring patients access to medical services; and

11
12 Whereas, The legislation indicates these mechanisms shall strive to reduce medical
13 costs at least 4%; and

14
15 Whereas, Under the existing Workers' Compensation Fee Schedule, physicians receive
16 a specific dollar amount set in 1995 for each of more than 3000 Current Procedure
17 Terminology codes (CPT); and

18
19 Whereas, These amounts were based on the physician fee schedules used by Blue Cross
20 Blue Shield of Vermont in 1994; and

21
22 Whereas, There has been a dramatic increase in physicians' medical liability premiums
23 and other office and hospital expenses over this ten year period; and

24
25 Whereas, In 2001, WCRI indicates that physician reimbursements under Vermont's
26 Workers' Compensation Fee Schedule is ranked as the second lowest fee schedule in the
27 New England/New York region and the eighth lowest in the country; and

28
29 Whereas, A recent study has determined that the practice expense involved in treating a
30 workers' compensation case is twice as much as for a Medicare patient with the same
31 condition; and

32
33 Whereas, With Vermont's having the second highest percentage of Medicaid enrollees
34 in the country, further reducing physician reimbursement under workers' compensation
35 would result in Vermont having one of the highest percentages of its population subject
36 to state regulated physician fee schedules -- Workers Compensation and Medicaid --
37 and one of the lowest physician reimbursement rates in the country; and

38
39 Whereas, Any reductions in physician workers' compensation reimbursement below the
40 already low levels could result in decreased access to health care services for workers'
41 compensation claimants due to many physicians deciding that are no longer able to treat
42 workers' compensation cases; therefore be it

43
44 **Resolved, That the Vermont Medical Society urges the Commissioner of the**
45 **Department of Labor & Industry to develop a new Workers' Compensation Fee**
46 **Schedule that reimburses physicians based on the average amount paid under**
47 **workers' compensation in the New England/New York region; and be it further**

1

2 **Resolved, That, in order to assure patients access to medical services in the**
3 **future, the Vermont Medical Society urges the Commissioner of the Department**
4 **of Labor & Industry to include an annual cost of living adjustment in the**
5 **development of any new Workers' Compensation Fee Schedule.**