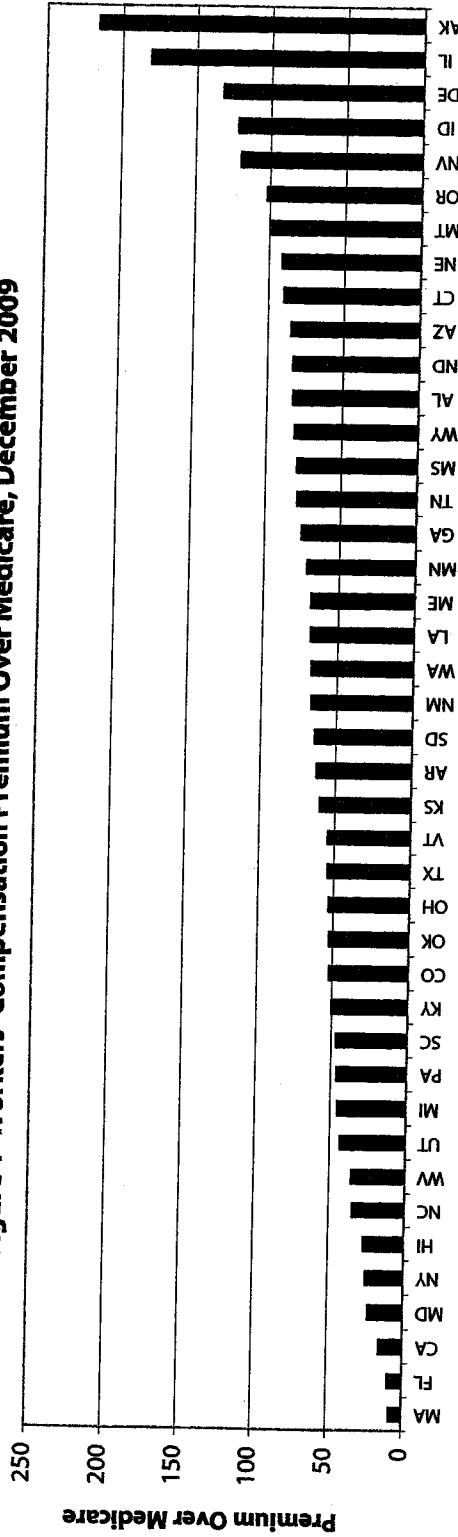


Figure 1 Workers' Compensation Premium Over Medicare, December 2009



Notes: Delaware, Florida, Illinois, New York, Pennsylvania, and Texas have distinct fee schedules for different parts of the state. For each, a single statewide rate was created by averaging the different sub-state fee schedules using the percentage of employed persons in each sub-state region as weights. Medicare establishes distinct sub-state fee schedules in 14 states. For each, a single statewide rate was created using the same procedure. Texas sets a unique conversion factor for surgery in a facility setting. The unique "surgery in a facility setting" conversion factor was applied to the major surgery service group while the "surgery in an office setting" conversion factor was applied to the surgical treatment service group. Ohio does not establish rates for the emergency services included in the marketbasket. For Ohio the overall rate is based on the fee schedule levels for the other seven service groups. Rhode Island has different billing codes for physical medicine and does not establish rates for the majority of the codes. An overall rate is not established for Rhode Island as physical medicine is the largest component of the marketbasket and excluding it significantly biases the results. For more detail see the technical appendix. West Virginia sets the workers' compensation fee schedule to be 135 percent of Medicare using rounded fully implemented relative value units (RVUs). In 2009 Medicare was still using transitional RVUs, and Medicare does not round during the calculation. The result of these differences is that the 2009 workers' compensation premium over Medicare in West Virginia is not exactly 35 percent.

Table 1 Workers' Compensation Premium Over Medicare, December 2009

State	Overall	ER Services	E&M	Major Radiology	Minor Radiology	Neuro. Testing	Physical Medicine	Major Surgery	Surgical Treatment
Alabama	82	28	8	74	205	59	67	313	33
Alaska	215	164	92	318	408	369	153	488	272
Arizona	84	102	30	99	133	140	61	240	58
Arkansas	62	29	34	131	129	35	34	115	103
California	15	26	-7	8	27	18	20	77	-27
Colorado	52	119	34	79	58	69	23	139	29
Connecticut	89	72	42	118	127	142	26	314	92
Delaware ^a	131	168	41	156	246	132	95	362	176
Florida ^a	9	4	6	-14	10	14	1	37	49
Georgia	75	37	38	134	133	55	36	194	85
Hawaii	26	106	16	-2	45	58	17	82	33
Idaho	121	91	97	181	175	114	37	323	157
Illinois ^a	180	219	54	214	280	259	125	504	213
Kansas	59	21	24	86	83	74	29	143	166
Kentucky	50	24	24	44	41	44	38	133	95
Louisiana	68	75	28	103	105	67	74	116	29
Maine	68	51	52	74	70	91	66	81	107
Maryland	23	17	17	19	19	18	17	55	22
Massachusetts	8	-4	-20	6	3	7	-20	151	10
Michigan	45	44	44	49	50	42	44	46	36
Minnesota	71	105	53	114	112	75	53	122	34
Mississippi	79	34	49	96	89	87	73	168	85
Montana	98	88	95	112	108	103	94	99	102
Nebraska	91	34	32	165	164	70	50	232	164
Nevada	119	107	28	224	186	85	80	345	66
New Mexico	66	57	25	187	116	79	48	148	85
New York ^a	24	46	-27	36	104	94	1	169	-5
North Carolina	34	32	-4	71	75	20	4	143	68
North Dakota	83	79	84	60	97	91	83	91	91
Ohio ^b	52	n/c	40	41	41	41	40	119	69
Oklahoma	52	42	15	90	64	82	23	145	113
Oregon	101	85	84	98	98	116	88	156	149
Pennsylvania ^a	45	24	8	69	72	42	38	129	35
Rhode Island ^c	n/c	54	13	87	140	57	n/c	289	54
South Carolina	46	31	34	50	48	30	45	71	64
South Dakota	64	100	27	118	89	57	46	173	-1
Tennessee	78	111	69	71	111	69	29	186	174
Texas ^d	54	49	49	49	49	49	49	86	49
Utah	43	29	33	60	58	35	33	66	61
Vermont	54	51	21	39	98	86	37	166	71
Washington	67	70	70	70	71	71	59	70	70
West Virginia ^e	35	35	36	36	37	31	36	34	27
Wyoming	81	110	35	157	122	94	45	221	24

Note: Positive numbers in this table reflect a percentage above the Medicare fee schedule levels for a state and negative numbers in this table reflect a percentage below the Medicare fee schedule levels for a state.

^a Delaware, Florida, Illinois, New York, Pennsylvania, and Texas have distinct fee schedules for different parts of the state. For each, a single statewide rate was created by averaging the different sub-state fee schedules using the percentage of employed persons in each sub-state region as weights. Medicare establishes distinct sub-state fee schedules in 14 states. For each, a single statewide rate was created using the same procedure.

^b Ohio does not establish rates for the emergency services included in the marketbasket. For Ohio the overall rate is based on the fee schedule levels for the other seven service groups. For more detail see the technical appendix.

^c Rhode Island has different billing codes for physical medicine and does not establish rates for the majority of the codes. An overall rate is not established for Rhode Island as physical medicine is the largest component of the marketbasket and excluding it significantly biases the results. For more detail see the technical appendix.

^d Texas sets a unique conversion factor for surgery in a facility setting. Surgeries in a facility setting are likely to be a more invasive procedures similar to those in the major surgery service group, thus the unique "surgery in a facility setting" conversion factor was applied to the major surgery service group. The "surgery in an office setting" conversion factor was applied to the surgical treatment service group.

^e West Virginia sets the workers' compensation fee schedule to be 135 percent of Medicare using rounded fully implemented RVUs. In 2009 Medicare was still using transitional RVUs, and Medicare does not round during the calculation. The result of these differences is that the 2009 workers' compensation premium over Medicare in West Virginia is not exactly 35 percent.

Key: E&M: evaluation and management; ER: emergency; n/c: not comparable; Neuro.: neurological; RVU: relative value unit.