

Date: October 8, 2010

To: Representative Chuck Hunter  
From: Keith Messmer, Department of Labor and Industry

Re: Medical Fee Data Request

As requested in your letter of September 29, 2010, here is the additional data the Department of Labor and Industry would like to have in order to prepare for the discussions at the Medical Fee meeting scheduled for October 19<sup>th</sup>.

### **Facility--Inpatient**

From the 10 hospitals that submitted data in response to the request from Bob Olson, the Department would like to have confirmation that the data supplied on the 20 MS-DRG's included the payments for outliers and implants. Also, did the hospitals report these two revenue areas for all three groups, Medicare, private health insurance, and workers' compensation?

### **Non-facility**

The Department does not believe the data from individual providers can be gathered quickly due to the sheer number involved and the varied record keeping systems that exist. For this data the Department would like you to request the assistance of the major health insurers.

1. Ask insurers for their average, actual Conversion Factor after consideration of any PPO discounts. Include assurances that these data will not be shared by individual insurer, but only aggregated, preferably weighted by approximate market share. And, only if at least two insurers participate.
2. Ask insurers to provide the average amount reimbursed for each of the CPT/HCPC codes on the enclosed list, including expected co-pays by the beneficiaries.
3. Request this same data from the Department of Administration for the self-insured, self administered health programs the State handles. If the University System is also self-administered the same data can be requested from them.

From the Montana Medical Association the Department would like to know the average collection percentage rate of health insurance patient co-payments.