

**STATE OF MINNESOTA
DEPARTMENT OF LABOR AND INDUSTRY
WORKERS' COMPENSATION DIVISION**

In the Matter of the Proposed
Adoption by the Minnesota
Department of Labor and
Industry, Workers' Compensation
Division, of Amendments to Rules
Governing Reimbursement for
Workers' Compensation Medical Services.

**STATEMENT OF NEED
AND
REASONABLENESS
for Amendments to
Minn. Rules,
Part 5221.2900, Subp. 2**

Minn. Rules, part 5221.0900, subp. 2 authorizes the adoption of amendments to improve the accuracy of the medical fee schedule and to correct deficiencies in the data base. These proposed amendments, which affect the maximum fees for only six chiropractic radiology services in part 5221.2900, subp. 2, are necessary to improve the accuracy of the fee schedule and to accommodate improvements in the data base. As required by part 5221.0900, subp. 2, the Medical Services Review Board has advised the Commissioner regarding these proposed amendments. They are thus authorized by Minn. Rules, part 5221.0900, subp. 2.

The six codes which are the subject of the proposed amendments deal with multi-view radiologic examinations. The Minnesota Chiropractic Association has advised the Commissioner that its members have in the past improperly coded their services when submitting their billings to Blue Cross and Blue Shield. Its members have used these codes for single views. As a result, the data base for multi-view codes reflects some charges for single views.

After consultation with the Commissioner and representatives of the Insurance Federation of Minnesota and the Minnesota Self-Insurer's Association, the Minnesota Chiropractic Association commissioned a statistical survey to determine the 75th percentile of chiropractors' charges for the six codes during the 1983 calendar year. The survey, conducted by Mid-Continent Research, Inc., was based on a random sample of 250 chiropractors. From the data collected, Mid-Continent determined the 75th percentile of charges billed during the 1983 calendar year. These determinations are the dollar amounts that appear in the proposed amendments.

IMPACT ON SMALL BUSINESSES.

The Commissioner has considered the potential impact of these amendments on small businesses to the extent required by Minn. Stat. § 14.115 (Supp. 1983). Insurers, self-insured employers and chiropractors may be affected by these amendments. Self-insured employers and insurers are not small businesses within the meaning of Minn. Stat. § 14.115, subd. 1 (Supp. 1983). Chiropractors are service businesses regulated by government bodies for standards and costs pursuant to Minn. Stat. § 14.115, subd. 7 (Supp. 1983). Thus, Minn. Stat § 14.115 (Supp. 1983) does not apply to chiropractors. The Commissioner has therefore not considered methods for reducing the impact of these amendments on the classes of persons who may be affected by them.

FISCAL IMPACT ON LOCAL PUBLIC BODIES.

The Commissioner has considered the fiscal impact of these amendments on local public bodies pursuant to Minn. Stat. § 14.11, subd. 1 (1982) and has found none. No additional financial burdens are placed on local public bodies, as the adoption of these amendments will not require the expenditure of public money by local public bodies.