

AUGUST 3



TENTATIVE AGENDA

LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

Monday, August 3, 1992, 12:00 Noon - 2:00 p.m.

SENATE FINANCE COMMITTEE MEETING ROOM, M-451

1. Approval of Minutes - Meeting May 18, 1992
2. Review of Legislative Rules:
 - a. WV Board of Examiners of Psychologists - Penalties and Fees
 - b. Dept. of Health and Human Resources - Implementation of Omnibus Health Care Act Payment Provisions
 - c. Division of Natural Resources - Revocation of Hunting and Fishing Licenses
 - d. State Water Resources Board - Requirements Governing Water Quality Standards
 - e. Consolidated Public Retirement Board - General Provisions, Series 1
 - f. Consolidated Public Retirement Board - Teachers' Defined Contribution System, Series 3
 - g. Consolidated Public Retirement Board - Teachers' Defined Benefit Retirement System, Series 4
 - h. Consolidated Public Retirement Board - Public Employees Retirement System, Series 5
 - i. Consolidated Public Retirement Board - Judges' Retirement System, Series 6
 - j. Consolidated Public Retirement Board - Department of Public Safety & Disability Retirement Board, Series 7
 - k. Consolidated Public Retirement Board - Benefit Determination & Appeal, Series 8
 - l. Board of Investments - Rules for the Reporting of State Debt to the West Virginia State Board of Investments

- m. Division of Banking - General Rules Implementing the West Virginia Community Reinvestment Act
- n. West Virginia Economic Development Authority - General Administration of the West Virginia Capital Company Act: Establishment of the Application Procedures to Implement the Act
- o. Real Estate Appraiser Licensing and Certification Board, West Virginia - Requirements of Licensure and Certification

3. Other Business:

Workmen's Compensation - Definition of Employer

Division of Tax - Sales Tax Interpretive Rules

Monday, August 3, 1992

12:00 - 2:00 p.m.

Legislative Rule-Making Review Committee
(Code §29A-3-10)

Keith Burdette
ex officio nonvoting member

Robert "Chuck" Chambers,
ex officio nonvoting member

Senate

House

Wooton, Chairman
Chafin
Manchin, J.
Tomblin (absent)
Wiedebusch (absent)
Boley

Grubb, Chairman
Burk
Faircloth (absent)
Roop
Love (absent)
Gallagher (absent)

The meeting was called to order by Mr. Wooton, Co-Chairman.

The minutes of the May 18, 1992, meeting were approved.

Mr. Wooton asked Paul Clay, an attorney from Beckley, to address the Committee regarding his concerns regarding the manner in which the term "employer" is defined in Workers' Compensation rule, 85 CSR 11, Enforcement of Reporting and Payment Requirements. Andy Richardson, Workers' Compensation Commissioner, responded to Mr. Clay's comments and answered questions from the Committee.

Mr. Burk moved that the staff be directed to compile a list of the statutes which allow the State to pierce the corporate veil and compare them with the provisions of the Workers' Compensation rule. The motion was adopted.

Mr. Roop moved that the Committee reconsider its action from its last meeting whereby the Committee approved, as modified, the rule proposed by the WV Board of Examiners of Psychologists, Qualifications for Licensure as a Psychologist. The motion was adopted.

Beverly Winter, President, School Psychologists Association, spoke to the Committee regarding several problems that she has with the proposed rule and responded to questions from the Committee. Dr. Jeffery Harlow, representing the West Virginia Board of Examiners of Psychologists, responded to Ms. Winters concerns and answered questions from the Committee.

Mr. Roop moved that the proposed rule be approved as modified. The motion was adopted.

Dr. Harlow distributed information requested by the Committee at its May meeting regarding the rule proposed by the WV Board of Examiners of Psychologists, Penalties and Fees. He answered questions from the Committee.

Mr. Burk moved that the proposed rule be approved as modified. The motion was adopted.

Mr. Wooton told the Committee that the rule proposed by the Department of Health and Human Resources, Implementation of Omnibus Health Care Act Payment Provisions, had been withdrawn. Debra Graham, Committee Counsel distributed information she had received from the Department in response to a committee member's request regarding reimbursement when out-of-state providers are used.

Ms. Graham told the Committee that the rule proposed by the Division of Natural Resources, Revocation of Hunting and Fishing Licenses, had been laid over at the May meeting to allow the Division to respond to some concerns expressed by Mr. Love.

Mr. Roop moved that the proposed rule lie over until the Committee's next meeting due to the absence of Mr. Love. The motion was adopted.

Ms. Graham reviewed her abstract on the rule proposed by the Consolidated Public Retirement Board, General Provisions, Series 1, and stated that the Board has agreed to technical modifications. Jim Sims, Executive Secretary, Consolidated Public Retirement Board, addressed the Committee regarding the proposed rule.

Mr. Chafin moved that the proposed rule be approved a modified. The motion was adopted.

Ms. Graham explained the rule proposed by the Consolidated Public Retirement Board, Teachers' Defined Contribution System, Series 3, and stated that the Board has agreed to technical modifications. Mr. Sims commented on the proposed rule.

Mr. Chafin moved that the proposed rule be approved as modified. The motion was adopted.

Ms. Graham reviewed her abstract on the rule proposed by the Consolidated Public Retirement Board, Teachers' Defined Benefit Retirement System, Series 4, and stated that the Board had agreed to modify and refile the proposed rules in a different format.

Mr. Roop moved that the proposed rule lie over until the Committee's next meeting to allow the Board to reformat the proposed rule. The motion was adopted.

Ms. Graham explained the rule proposed by the Consolidated Public Retirement Board, Public Employees Retirement System, Series 5, and stated that the Board had agreed to modify and refile the proposed rules in a different format.

Mr. Roop moved that the proposed rule lie over until the Committee's next meeting to allow the Board to reformat the proposed rule. The motion was adopted.

Mr. Wooton told the Committee that the rules proposed by the Consolidated Public Retirement Board, Judges' Retirement System, Series 6, and Department of Public Safety & Disability Retirement Board, Series 7, had been withdrawn. Ms. Graham explained the reason for the withdrawal.

Ms. Graham reviewed her abstract on the rule proposed by the Consolidated Public Retirement Board, Benefit Determination & Appeal, Series 8, and stated that the Board had agreed to technical modifications.

Mr. Chafin moved that the proposed rule be approved as modified. The motion was adopted.

Ms. Graham discussed the rule proposed by the Board of Investments, Rules for the Reporting of State Debt to the West Virginia State Board of Investments. Mark Asaad, Counsel to the Board, addressed the Committee.

Ms. Boley moved that the proposed rule be approved as modified. The motion was adopted.

Ms. Graham reviewed the rule proposed by the Division of Banking, General Rules Implementing the West Virginia Community Reinvestment Act, and stated that the Division has agreed to technical modifications.

Mr. Roop moved that the proposed rule be approved as modified. The motion was adopted.

Michael McThomas reviewed his abstract on the rule proposed by the West Virginia Economic Development Authority, General Administration of the West Virginia Capital Company Act: Establishment of the Application Procedures to Implement the Act, and stated that the Authority has agreed to technical modifications. Randy Eldridge, representing the Economic Development Authority, addressed the Committee.

Mr. Burk moved that the proposed rule be approved as modified. The motion was adopted.

Ms. Graham explained the rule proposed by the West Virginia Real Estate Appraiser Licensing and Certification Board, Requirements of Licensure and Certification and stated that the Board has agreed to technical modifications.

Mr. Grubb moved that the proposed rule be approved as modified. The motion was adopted.

Ms. Boley expressed concern regarding the rule promulgated by the Division of Labor, Contractor Licensing Board, West Virginia Contractor Licensing Act, and asked the Chairman if it would be appropriate for the Committee to review the rule. Mr. Wooton suggested that those persons having concerns regarding the rule contact the Committee's Counsel so that she may determine if the issue is within the Committee's purview.

Mr. McThomas advised the Committee that the Division of Tax has promulgated four interpretive rules regarding the State Consumers Sales and Service and Use Tax which may, in fact, be legislative rules.

Mr. Burk moved that the staff be directed to draft a memo on the interpretive rules, mail Committee members copies of the interpretive rules and invite representatives of the Division to the Committee's next meeting to discuss the rule. The motion was adopted.

The meeting was adjourned.

ROLL CALL - LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

DATE: August 3, 1992

TIME: Noon - 2:00 p.m.

NAME

Present Absent Yeas Nays

Chambers, Robert "Chuck", Speaker

Grubb, David, Co-Chair

Burk, Robert W., Jr.

Faircloth, Larry V.

Gallagher, Brian A.

Love, Sam

Roop, Jack

Burdette, Keith, President

Wooton, William R., Co-Chair

Boley, Donna

Chafin, Truman H.

Manchin, Joe, III

Tomblin, Earl Ray

Wiedebusch, Larry

TOTAL

<u>Present</u>	<u>Absent</u>	<u>Yeas</u>	<u>Nays</u>
✓			
✓			
	✓		
	✓		
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7	5		

RE:

REGISTRATION OF PUBLIC
COMMITTEE MEETINGS
WEST VIRGINIA LEGISLATURE

COMMITTEE: Log Rule-Making Review

DATE: August 3, 1992 Noon-2pm.

NAME	ADDRESS	REPRESENTING	PLEASE CHECK (X) IF YOU DESIRE TO MAKE A STATEMENT
Please print or write plainly Si GULPERIN	Charleston	WV Appraiser Licensing Board	
BANDY ELDREDGE		WV ECON. DEV. AUTH	
DIANA STEUT		DEPT. OF ADMIN.	
JIM SIMS		CPR Bd (Retirement Systems)	
Mark Assad		Board of Investments	
H.K. WHITE		Amtrak Music	
GEORGE ARENBauer		STEPHEN JOHNSON	
Ron Walters	Cross Lane	3rd Dist. House Candidate	
John Kozak	CHAS	WORKER'S COMP.	
ANDREW RICHARDSON	CHAS	BUR. EMP. PROGRAMS	
Jr F SMITH	1860 London Rd Class 75314		
Paul O. Clay, Jr	P.O. Box 958 Fayetteville, W. Va.		
Bill DANIEL	CHARLESTON	DNR LAW ENF.	
JOHN D. LAW	Charleston	WUNA, WUPA	

Distributed Meeting Aug 3, 1992



Public Employees Insurance Agency

State Capitol Complex
Building 5, Room 1001
1900 Kanawha Blvd., E.
Charleston, WV
25305-0710
(304) 558-7850
Fax (304) 558-2516

August 3, 1992

Gaston Caperton
Governor

Sally K. Richardson
Director

Debra A. Graham, Counsel
Legislative Rule-Making Review Committee
Room M-152, State Capitol Building
Charleston, West Virginia 25305

Dear Ms. Graham:

As we discussed, the Public Employees Insurance Agency has decided to withdraw the proposed amendments to the legislative rule codified at Title 69 C.S.R. Series 3, "Implementation Of Omnibus Health Care Act Payment Provisions." A copy of the notice filed with the Secretary of State's Office, withdrawing both the proposed amendments to the legislative rule and an emergency rule which made the same amendments is enclosed for your information.

Even though we are withdrawing the proposed amendments, I wanted to take the opportunity to respond to the concerns expressed by Delegate Love at the Committee's meeting on May 18, 1992. Delegate Love was concerned about what assistance the PEIA can provide to our insureds who must travel outside West Virginia to obtain their medical care.

The Omnibus Health Care Act, enacted by the West Virginia Legislature in April, 1989, prohibits a health care provider from billing the patient for any amounts disallowed as being above the PEIA's fee schedules. Unfortunately, we have been advised by the Attorney General's Office that the Omnibus Act cannot be enforced against out-of-state providers, because of problems with jurisdiction and conflict of laws. This means that insureds who must get medical care out-of-state face the possibility of having to pay often sizable balances in addition to standard deductibles and co-payments.

To help alleviate this burden, the PEIA Finance Board, as part of its Fiscal Year 1992 Financial Plan, initiated a new benefit, the out-of-state provider waiver program. Under this program, the PEIA will not impose its standard discounts on out-of-state provider fees when an insured must get care outside West Virginia for one of the following reasons:

1. An emergency arises and out-of-state care can be reached more quickly;
2. The insured lives or is traveling out-of-state;
3. The medically necessary service is not available in West Virginia, or is not available within reasonable travel time in West Virginia; or

Debra A. Graham, Counsel
August 3, 1992
Page Two

4. Due to the geographic location (i.e., the insured lives in one of the "border areas" of West Virginia), the PEIA has predetermined that services are only available out-of-state.

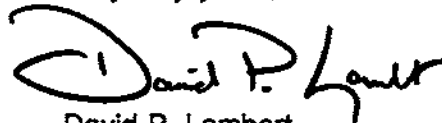
An insured may obtain the waiver by making a written request to the PEIA. Notice of the program was provided in a notice of plan changes which was mailed to all insureds on June 1, 1991. The program was again described in a summary of plan benefits mailed to all insureds on November 15, 1991 and, most recently, in our Summer 1992 newsletter which was just mailed to all insureds. Copies of these notices are included for your information.

If a waiver is granted, the PEIA will waive its standard discounts imposed upon hospital and physician fees. With respect to hospitals, the effect of waiving the discount means that the PEIA will pay the remaining balance, since the discount is taken from charges and there is no maximum fee schedule in place. With respect to physician charges, the insured may still be faced with a balance due even after the PEIA has waived the discount, because the provider's charges might exceed the PEIA's maximum fee for that particular service. In this event, the PEIA will waive its fee limits and pay the balance owed on any one bill or combination of bills during a calendar year after the first \$500.

In summary, the out-of-state waiver program was designed specifically to ease the financial burden on PEIA insureds who must travel out-of-state for medical care. The program is incorporated as part of both the PEIA financial plan adopted by the Finance Board and the PEIA benefit plan.

Thank you for the opportunity to provide this information. Please let me know if I may provide any additional assistance.

Very truly yours,



David P. Lambert
Acting Deputy Director

DPL:trs

Enclosures

cc: Sally K. Richardson



Public Employees Insurance Agency

Capitol Complex
Building 5
Tenth Floor
Charleston,
WV 25305
304-348-7850
FAX 304-348-2516

MEMORANDUM

Gaston Caperton
Governor
Sally K. Richardson
Director

TO: All PEIA Insureds of
State Agencies and County Boards of Education

FROM: Sally K. Richardson
Director

DATE: June 1, 1991

SUBJECT: 1992 Financial Plan

Following are the changes which constitute the PEIA Financial Plan for Fiscal Year 1992. These changes will apply to the PEIA benefit plan effective July 1, 1991. These changes are to be read with the Summary Plan Description you received December 1, 1990.

Well-Child Care and Immunizations. Office visits and immunizations for children as determined by the Plan (see Summary Plan Description Appendix B) are paid at 90%.

Maternity services. Physicians' fees for prenatal and delivery care paid at 100%. **Retroactive to January 1, 1991.** (Hospital costs are not included in this change.) Pregnancies must be reported to Healthmarc within the first trimester, or as soon as the pregnancy is confirmed. If more than one sonogram (ultrasound) is required during your pregnancy, each additional sonogram must be precertified by Healthmarc.

Outpatient Mental Health and Chemical Dependency Services. Coverage to a maximum of 26 visits per calendar year of individual and/or group outpatient mental health and chemical dependency evaluations and referral services, diagnostic, crisis intervention and therapeutic services. All 26 visits in a calendar year paid at 80%. No coverage after 26 visits. Apply 20% co-payment on outpatient mental health and chemical dependency services to annual out-of-pocket maximum.

Chiropractic Services. Apply 20% co-payment on chiropractic services to annual out-of-pocket maximum.

Inpatient and/or Partial Hospitalization Mental Health and Chemical Dependency Services. Coverage is limited to a maximum cost to the Plan of \$10,000 per calendar year, unless extended through pre-certification and individual case management by the utilization management firm to cover necessary and efficient services.

Out of State Provider Waiver. Guidelines for a system to make exceptions in payments to out-of-state providers of health care have been approved. An employee may request an exception to PEIA's policy of discounting providers' fees when:

1. an emergency arises and out-of-state care can be reached more quickly;
2. the insured lives or is traveling out of state;
3. the medically necessary service is not available in West Virginia, or is not available within reasonable travel time in West Virginia; or
4. due to the geographic location, PEIA has determined that services are only available out of state.

The written request for exception and supporting explanation and justification must be sent to the director of PEIA, State Capitol Complex, Building 5, Room 1025, Charleston, WV 25305.

Employee Premium Contributions. The active employee premium rates for State employees and County Board of Education employees have been adjusted to include a category for "Spouse Only". The new active employee premium contribution rates (including the new "Spouse Only" category) are printed on the next page. These replace the rates printed in your Summary Plan Description as Appendix A.

Claim Denial Appeal Procedure. The procedure for appealing a denied claim has not been changed, but it bears repeating.

Level 1: Insured (or his/her authorized representative) appeals the denial, in writing, to the claims administrator (or to the utilization management firm if denial was for lack of precertification). Appeal must be made within ninety (90) days following the date of the Explanation of Benefits.

Level 2: If the appeal is not resolved at level 1, the insured may request a review of the denial (or the declination of appeal) by the Director of PEIA. This request for review must be made within sixty (60) days from the date of the declination of appeal. The Director of PEIA will make a final decision and notify the insured of the outcome of the review.

If you have questions about any of these benefit issues, please contact your payroll location or PEIA.



Public Employees Insurance Agency

Capitol Complex
Building 5
Tenth Floor
Charleston,
WV 25305
304-348-7850
FAX 304-348-2516

MEMORANDUM

Gaston Caperton
Governor
Sally K. Richardson
Director

To: All PEIA Insureds

From: Sally K. Richardson *SKR*
Director

Date: November 15, 1991

Subject: Plan Changes and Public Hearings for Fiscal Year 1993

The PEIA Finance Board has developed the proposed financial plan for Fiscal Year 1993, and is ready to accept public comment on it. This plan is intended to go into effect on July 1, 1992.

The law requires that the plan generate sufficient revenues to meet PEIA's projected costs. For Fiscal Year 1993, these costs are projected to increase by 13%. The Finance Board proposes the following measures for a balanced Plan:

1. Maintain current premium contributions paid by active employees of State agencies, colleges and universities and county boards of education.
2. Provide diagnostic screening and treatment for participants who have or are at risk for high blood pressure, cardiac illness or stroke.
3. Provide various pilot wellness programs to evaluate which should be added as on-going benefits.
4. Implement a new prospective payment method for hospitals (DRG's) which will hold increases in inpatient payments to +3%.
5. Continue current rate reductions on providers.
6. Increase drug co-payment by \$2.00 per prescription.
7. Increase retired employee premiums to cover a portion of their increased claim costs.
8. Extend retired employee premium subsidy program to participants with incomes up to 150% of federal poverty guidelines.

1991-1992 MEDICAL BENEFITS

The "Annual Deductible" is \$100.00 in a calendar year, and will not exceed \$200.00 per family.

All PEIA covered health services are reimbursed at 80% of net eligible expenses remaining after deducting any applicable per-service and annual deductible amounts, unless otherwise noted. Also, unless otherwise noted, these same net eligible expenses are reimbursed at 100% after the member's 20% copayment total for the calendar year reaches the applicable annual out-of-pocket maximum.

The "Annual Out-of-Pocket Maximum" is the cumulative total of the 20 percent copayments on covered services paid by insureds during the plan year. The Annual Out-of-Pocket Maximum does not include any amount a member pays for annual deductibles, per-service deductibles or non-covered services. The Annual Out-of-Pocket Maximum is based on the member's ability to pay. A schedule of these maximums was mailed to members in July, and is available from payroll locations. For retired PEIA members or employees of county or municipal agencies, this out-of-pocket maximum is \$1,000.

Stars (★) mark those services for which prior approval must be obtained from the utilization management firm. If the prior approval is not obtained, a separate 30% per-service deductible will be required (prior to and in addition to consideration of any applicable annual deductible).

The "Lifetime Maximum Benefit" is \$1,000,000.00.

Coverage for the treatment of a **Pre-existing Medical Condition** for which a PEIA insured is diagnosed, receives treatment or incurs expenses within the 3 months immediately preceding the effective date of coverage is excluded and will be provided only after a period of 12 consecutive months following the effective date of coverage.

Health services covered under the Plan are described below, along with the level of coverage provided by the Plan. Members are required to pay, directly to the provider, any deductibles, and copayments, or full charges for any services not covered.

Because of the terms of the fee schedule, PEIA may pay amounts lower than providers' actual charges. Providers of service practicing within the State of West Virginia are prohibited from collecting amounts exceeding the PEIA maximum allowable charge (MAC) from PEIA insureds. Providers practicing outside the State of West Virginia may collect these additional amounts from PEIA members.

Out of State Provider Waiver. Guidelines for a system to make exceptions in payments to out-of-state providers of health care have been approved. An employee may request an exception to PEIA's policy of discounting providers' fees when:

1. an emergency arises and out-of-state care can be reached more quickly;
2. the insured lives or is traveling out of state;

3. the medically necessary service is not available in West Virginia, or is not available within reasonable travel time in West Virginia; or
4. due to the geographic location, PEIA has determined that services are only available out of state.

The written request for exception and supporting explanation and justification must be sent to the director of PEIA, State Capitol Complex, Building 5, Room 1025, Charleston, WV 25305.

If PEIA is the primary payor, a West Virginia provider may only bill the patient for any deductibles or co-pays which were applied to the allowed amounts, and for any service not covered by the PEIA health plan. Any amount which is disallowed because it exceeds the maximum allowable charge, coverage for the hospital rates frozen to April 1989 rates, or discounted amounts are not billable. This is known as the "No Balance Billing Provision."

If PEIA is the secondary payor, the "No Balance Billing Provision" does not apply. After the primary insurance carrier has paid and after PEIA has paid, the provider **may** bill any remaining balances to the patient. In the case of Medicare, if the provider accepts assignment from Medicare, he or she is not allowed to bill those amounts which exceed the Medicare contractual allowances.

HEALTH SERVICE DESCRIPTIONS

Office Visits, Medical Services and Supplies for treatment of a sickness or injury. Covered services also include pap smears and mammogram screening, and allergy services, testing, injections, extract, serum, and venoms.

Well-Child Care and Immunizations. Office visits and immunizations for children as determined by the Plan (see Appendix B) are paid at 90%.

Other Medical Services or Physician-related Surgical Services, not including office visits, but including inpatient hospital visits.

★Inpatient Hospital and Related Services. Confinement in a hospital including semi-private room, special care units, confinement for detoxification, related services and other supplies, provided during confinement in a hospital.

Emergency Outpatient Services and Supplies. Stabilization or initiation of treatment of emergency conditions provided on an outpatient basis at either a hospital or an alternate facility.

★Outpatient Surgery. Services and supplies for prescheduled outpatient surgery provided at a hospital, an alternate facility or a physician's office. Prior approval must be obtained for certain procedures listed at the top of page 5.

★Outpatient diagnostic and therapeutic services for pre-scheduled laboratory and diagnostic tests and therapeutic treatments, when ordered by a physician. Prior approval must be obtained for certain outpatient diagnostic and therapeutic services listed at the top of page 5.

News

**Public Employees
Insurance Agency**

New Hypertension Screening Benefit



Effective July 1, 1992, PEIA provides a benefit for diagnostic screening and treatment for high blood pressure, cardiac illness or stroke.

In plain English, that means that we'll pay for the testing and treatment done by your physician if he or she believes that you have (or might have) high blood pressure or heart disease, or are at risk of stroke.

PEIA will pay for a doctor's office visit and the tests to determine if you have one of these problems. If you do, we'll pay for the treatment that follows, as long as that treatment falls within PEIA's normal benefit guidelines, and is not excluded from coverage under the plan. This benefit will fall under the category of Medical

Services and Supplies in your summary plan description.

Specifically, the Hypertension Screening benefit will consist of coverage for:

1. A detailed office visit
2. A blood pressure check
3. A blood test - The chemistry profile (SMAC-20)

This benefit will be available:

- One time between the ages of 20 and 30.
- Once every three (3) years between ages 31 and 39.
- Once every two (2) years after age 40.

Of course, we also cover these benefits any time your physician believes they are medically necessary.

Questions? Call HEC at (800) 344-5076 or (304) 925-9351

PEIA Covers Prostate Cancer Screening

Effective July 1, 1992, PEIA provides coverage for annual checkups for prostate cancer in men age fifty and over.

This screening falls under the heading of Medical Services and Supplies in your summary plan description, and the services will be covered at 80% of the PEIA fee schedule amount after you have satisfied your annual deductible.

No Change to Drug Co-payments

Your prescription drug co-payments will not increase for Fiscal Year 1993. In the initial discussions of the 1993 Financial Plan, it was suggested that PEIA increase prescription drug co-payments by \$2.00 per prescription.

After a re-evaluation of the actuarial data, the Finance Board determined that this step would not be necessary this year.

If you have questions about your prescription drug program, contact Prescription Reimbursement Network (PRN) at (800) 669-0776.

Immunization Coverage Added

On July 1, 1992 PEIA added coverage for immunizations to the benefit plan.

Immunizations previously covered under the Preventive Pediatric Care benefit will remain the same.

Immunizations which fall outside the Preventive Pediatric Care benefit, and immunizations administered to any insured over age 12 will be covered at 80% after the Annual Deductible has been satisfied.

Routine office visits, physical exams and diagnostic procedures which occur at the time of immunization will not be covered by the Plan unless otherwise specified by PEIA and/or outlined in the Summary Plan Description (e.g. Preventive Pediatric Care, pap smears, mammograms, prostate cancer screening and hypertension screening).

Norplant Now Covered

Effective July 1, 1992, PEIA added coverage for the contraceptive implant Norplant to the benefit plan. Because a physician must insert the capsules, Norplant will be covered under the medical plan, and will be subject to the \$100 annual deductible and your 20% co-payment. Coverage is for PEIA members and spouses only. Norplant will not be covered for dependent children.

The benefit includes the cost of the Norplant System and the charge for insertion of the capsules.

Charges for the initial office visit or any annual follow-up visits for routine recheck of the implant will not be covered.

Charges for Norplant will be covered only once every 5 years.



Summer 1992

Continued on Page 2

Payment Now

Healthmarc to report your pregnancy in the first trimester, you must call to pre-certify your hospital the time of delivery! You must be admitted within 48 hours of the next business day.

Implant Now Covered

continued from Page 1

Complications should arise regarding the removal of the implant, charges for the removal will be a co-payment, but charges for reinsertion of new capsules will not be covered for one year from the date of removal.

If you have questions about this, please call HEC at (304) 925-5076 or (800) 344-5076.

Retired Employee Premiums Remain at 1991 Levels

During the negotiations for the PEIA Financial Plan, it was proposed that PEIA raise premiums paid to retired employees.

Currently, retired employees' premiums cover only 60% of the total cost of provider services. The proposal was for an initial estimate of increases in provider costs.

The most recent report from actuaries shows that the plan is in a better financial shape than had been expected. The actuaries were very conservative in their original estimates, and they have performed better than expected.

With this change, the Governor recommended and the Legislature approved funding to continue State funding for retiree health care for the next year. This allows PEIA to maintain retired employee premiums at current levels through the next year.

Try HEC's New Claim Status Line

Do you ever wonder about the status of a medical claim you've submitted? Well, Health Economics Corporation (HEC), the company which processes your medical claims, has a service that makes it easier than ever to check on a claim. The service, HEC's Claim Status Line, lets you check the status of a medical claim at any time.

All you do is call HEC at (800) 344-5076 or 925-9351 and choose the menu option for "Check Status of a Claim." Then you just follow the prompts and enter the requested information. You can enter numbers from the keypad of your Touchtone phone or speak the numbers into your phone to the Voice Prompt System.

You can check the status of a claim from a specific date of service, or simply check your three most recent claims.

Before you call, you'll need to gather: policyholder's Social Security number, the patient's date of birth, and the date the healthcare services were provided.

There is help available throughout the system, and you have the option of speaking to a customer service representative from 8 a.m. to 5 p.m., Monday through Friday.

PEIA's Phone Number Changed

You need to be aware that PEIA's phone number changed from 348-7850 to 558-7850. Only the first three digits changed. The last four digits stayed the same.

The phone company opened up a new exchange for State government, so all government 348- numbers changed to 558- numbers. A recording will refer you to the new number for the next several months, but you'll want to make a note of the new number now.



PEIA Changes Hospital Payment Method to Bring Equity

Beginning July 1, 1992, PEIA implemented a new method of reimbursing hospitals. The old system discounted payments to in-state hospitals to a greater extent than it did out-of-state hospitals. To correct this inequity, PEIA put in place a system that treats all hospitals the same, regardless of location.

The old system reduced in-state hospital charges to their 1989 level (minus a 5% discount), but paid out-of-state hospitals their current charges less a 10% discount. This meant that we paid some in-state hospitals as little as 60 to 65% of their 1992 rates, and others as much as 95%. It was very inequitable.

For 1993, the Finance Board decided it would average the many hospital discounts and reimburse every hospital at the same level.

If you are a PEIA insured who uses the services of an out-of-state hospital, this will have an impact on the balance due on your bills.

State law prohibits in-state hospitals from collecting the unpaid balance (except deductibles, co-payments and non-covered services) from PEIA insureds. This law can only be enforced within West Virginia. Therefore, if you get care at an out-of-state hospital, the hospital can bill you for the amounts PEIA does not pay -- specifically, for the hospital payment discount.

This can represent a significant amount of money, and could be a hardship for our insureds using out-of-state facilities, so PEIA is continuing its Out-of-State Provider Waiver program.

Under this program, an employee may request a waiver when:

1. an emergency arises and out-of-state care can be reached more quickly;
2. the insured lives or is traveling out of state;
3. the medically necessary service is not available in West Virginia, or

is not available within reasonable travel time in West Virginia; or 4. due to the geographic location, PEIA has determined that services are only available out of state.

To request an Out-of-State Provider Discount, you must write to PEIA. You must include proof that the hospital is billing you for the amounts that PEIA did not pay, and an explanation of your reason for using an out-of-state hospital.

Send this request and information to the director of PEIA, State Capitol Complex, Building 5, Room 1001, 1900 Kanawha Boulevard, E., Charleston, WV 25305-0710.

PEIA will confirm receipt of your request, review your case, and notify you of the outcome.

Signature Log To Be Used for Drugs

Beginning September 1, PEIA insureds will be asked to sign a signature log when they obtain their PEIA-covered prescription drugs. This replaces the signature line on the paper prescription drug claim form, which is no longer used when a claim is electronically submitted.

The signature certifies that the insured is eligible for benefits, and that he or she has actually received the prescription. It also authorizes release of all medical and prescription information needed to process the claim or review it under the drug utilization review (DUR) program administered by Prescription Reimbursement Network for PEIA.

DUR involves notification of providers of drug benefits when other providers are supplying similar or interacting drugs to the insured. This service helps prevent drug abuse, adverse drug reactions and waste of program dollars.

District Meeting Aug 3, 1992



The Senate of West Virginia
Charleston

WILLIAM R. WOOTON
117 GRANVILLE AVENUE
BECKLEY 25801

July 21, 1992

COMMITTEES:
LEGISLATIVE RULE-MAKING
REVIEW (CHAIRPERSON)
SELECT COMMITTEE ON
REDISTRICTING (CHAIRPERSON)
BANKING AND INSURANCE
CONFIRMATIONS
FINANCE
HEALTH AND HUMAN RESOURCES
MILITARY
PENSIONS
SPECIAL INVESTIGATIONS

Ms. Debra Graham
W. Va. Senate
State Capitol
Charleston, WV 25305

Dear Debra:

Enclosed please find a letter I received from Kanawha County Schools Psychologists.

Please bring the enclosed letter to my attention at the next Legislative Rule Making Review Committee meeting.

Thank you very much for your assistance.

Very truly yours,
WOOTON, WOOTON & FRAGILE

William R. Wooton

WRW.clc
Enclosure

RECEIVED

JUL 23 1992

Legislative Rule Making
Review Committee

Dear Legislative Rules Committee:

We are concerned that the Interpretive Rules for House Bill 2765 will allow Speciality licenses in school psychology to be issued to more psychologists than was the original intention of the bill.

Section 30-21-7d (p. 14) lines 1 - 5 of House Bill 2765 clearly defines who is eligible to begin this specialty license process. Those persons are "any person who holds a current certificate of advanced study and has the equivalent of three academic years experience in school psychology or any licensed psychologist who has been approved by the State Department of Education." If standard provision licensed psychologists were not on the this State Department approved list by March 1991, they would, therefore, not be considered for this Speciality School Psychology License. We are concerned that these psychologists who were not on the approved State Department of Education list will be able to pick up this additional Speciality License without having the formal academic training in school psychology.

Furthermore, we are concerned that the academic training in school psychology from an accredited institution of higher education and subsequent certification is being minimized through the Interpretive Rules for House Bill 2765. We feel that the formal academic training in school psychology should be emphasized during this Board review process for all candidates. American Psychological Association ethics support this premise also by emphasizing from accredited institutions rather than experience when one seeks speciality license.

We are asking then that the Legislative Rules Committee review specifically Section 7.5d of the School Psychology Licensure Law Interpretative Rules and Regulations, paragraph 2: Standard provision licensed psychologists who are not certified school psychologists but who practice as school psychologist in a private practice setting are not "seeking eligibility" as independent practitioners as described in 30-21-7b (2). These individuals already possess eligibility for independent practice by virtue of their standard license. Such applicants shall provide satisfactory documentation of training and experience, and are required to pass an oral examination given by the Board.

Again, unless the standard provision licensee is also certified, graduated from an approved training program in school psychology, and has had three years of academic experience, they are not eligible to obtain this specialty licensure in school psychology.

Respectfully Submitted,

Sarah J. Kendall
in blue
Mary R. Minto
Kath H. Boudette
Patricia G. Mickel
Jane Martin May
Charles Long
M. Chakraborty

Kanawha County School Psychologists

cc: Ken Hechler, Secretary of State
Dr. Henry Marockie, State Superintendent of Schools
West Virginia Board of Examiners
Beverly Winters, WVSPA President Elect

RE: House Bill 2765 and School
Psychology Licensure Law
Interpretative Rules and Regulations

Dear Committee Members:

As practicing School Psychologists in Kanawha County we have a concern regarding the Interpretive Rules for School Psychologists.

House Bill 2765 (sec. 30-21-7d, line 16 and 17, page 15) refers to the requirement of two years supervised experience. It is apparent the intent was to ensure the competency of psychologists to provide school-related psychological services. The bill does not state that this supervision be provided in a private practice setting. The West Virginia Board of Examiners of Psychologists, however, strongly suggests that the supervision occur in a private practice setting. We are concerned that if publicly employed school psychologists are expected to complete a privately supervised experience in addition to the full-time employment duties, it may diminish the quality of services provided.

The competency areas defined in the law under "School Psychological Services" (page 4, line 93) are more than adequately demonstrated in a school setting. These competencies are also addressed by the National Association of School Psychologists national certification process. School psychologists, who are nationally certified, have already demonstrated these competencies and continue to update their skills in this area in order to renew that national certification.

The same standards and ethical concerns guide the practice of school psychology whether it is presented in a public or private setting. We feel the law specifies "supervision" but not supervision in a private setting.

Your assistance with this matter is greatly appreciated.
Thank you.

Respectfully Submitted,

Sarah J. Kendall
in the
Mary R. Mistic
Letha H. Burdette
Patricia B. Mickel
Jane Merten-Way
Charles Long
M. Chakraborty

Kanawha County School Psychologists

cc: Honorable Governor Gaston Caperton
Ken Hechler, Secretary of State
Dr. Henry Marockie, State Superintendent of Schools
Ms. Beverly Winter, President Elect, WVSPA

TO: Legislative Rules Committee

FROM: Beverly Winter, President
West Virginia School Psychologists' Association

DATE: August 3, 1992

RE: Proposed Interpretative Rules and Regulations
for School Psychologists

The membership of the West Virginia School Psychologists' Association wishes to express concern regarding aspects of the Proposed Interpretative Rules and Regulations. Some standard provision licensed psychologists who have not been approved to work in the school system by the West Virginia Department of Education have been licensed at the independent practitioner level. We feel that it is in violation of the state code, West Virginia Department of Education guidelines for certification, and APA Code of Ethics.

The purpose of the bill was to provide licensure for school psychologists, due to an ongoing difference of opinion between the Board of Examiners of Psychologists and West Virginia Department of Education. It was determined that a certified school psychologist could not contract independently with school systems, since that constitutes private practice.

A. VIOLATION OF HOUSE BILL 2765.

Our concern is that standard provision licensed psychologists are being granted licensure at the independent practitioner level when they are not educationally trained as school psychologists. The bill states:

Section 30-21-7d Eligibility for current school psychologist

- (1) Any person who holds a current certificate of advanced study and has the equivalent of three academic years experience in school psychology or any licensed psychologist who has been approved by the state department of education on the effective date of this section shall not be required to comply with the provisions of section seven-b, article twenty-one, chapter thirty of this code.

There are only 11 licensed psychologists who were approved on the effective date of the bill. This does indicate that the bill intended that these

eleven licensed psychologists could be licensed at the Level I category, which entitled them to contract with the school system for psychological evaluations only.

An approved licensed psychologist is a standard provision licensed psychologist that has been approved by the Department of Education to provide contracted psychological evaluations only--not a full range of school psychological services. These "approved psychologists" have submitted their coursework to the WV Department of Education Certification Department and have demonstrated they are competent to conduct psychological evaluations. They are approved on a year-to-year basis, as well as county-by-county basis. For example, if one is approved to work in Raleigh county for a specific year, he/she must also submit for approval to work in Kanawha or whatever other county he/she wishes to work. This approval is requested to the WV State Department of Education by the county superintendent.

- (2) Such persons seeking eligibility as a licensed school psychologist independent practitioner **must meet the provisions of section seven-b of this article**, must have completed the equivalency of two years supervised experience and shall complete an oral examination before the board...

The WV Board of Examiners of Psychologists have determined a standard provision licensee is not "seeking eligibility for licensure" since they are already licensed. We contend that they are seeking a specialty licensure for which they have no training (see ethic section later). They must comply with the bill, just as the certified school psychologist must comply.

The bill states in section seven-b, as outlined above, the following:

Section 30-21-7b Eligibility for licensed school psychologist

To meet minimum requirements for this license the applicant must:

1. Have obtained a valid certificate of school psychology granted by the state superintendent of schools,

school psychology and obtained a master's degree in school psychology from a board approved institution of higher education, or have received equivalent training as determined by the board;

2. Have completed at least three academic years of supervised experience in school psychology which includes a one year post degree internship or externship toward the completion of the requirements for a certificate of advance study or similar designation approved by the board...
3. Have passed a standardized national examination in school psychology promulgated by the National Association of School Psychologists or other similar organizations and approved as a standardized testing vehicle for school psychologist by the board.
4. Have passed an oral examination conducted by the board; and
5. Completed appropriate application

The WVSPA feels that only certified school psychologists or standard provision licensed psychologists who are also certified school psychologist can be licensed at the independent practitioner level because they meet criteria 1 (have a valid certificate and appropriate training), criteria 2 (three years of supervised experience and a one year internship), and criteria 3 (have passed a national examination in school psychology). The licensed school psychologists who do not have training in school psychology do not meet the three criterion.

As of this date, twenty-four standard provision licensed psychologists have been awarded licensure at the independent practitioner level. Their credentials are as follows:

<u>Credentials</u>	<u>Number</u>
Standard Provision License and Certified School Psychologist	6
Standard Provision Licensed and Approved for the year the bill was passed by the Department of Education (These should have been given level 1--not independent practitioner)	9
Only Standard Provision Licensed Psychologists	3

Licensed Standard Provision Licensed
Psychologists, with additional endorsement
unknown

6

Only Certified School Psychologists
(seven have applied and been through the
oral examination)

0

In summary, no one who is only a certified school psychologist has been approved for licensure at the independent practitioner level. Six individuals who hold both a standard provision license and certification by the state department of education have been licensed at the independent practitioner level. However, the remaining 18 individuals are standard provision licensees who do not have a valid certificate issued by the state department of education, have not graduated from an approved training program in school psychology, and have not passed a national examination in school psychology.

B. DEPARTMENT OF EDUCATION CERTIFICATION REQUIREMENTS

During the passage of the bill, the West Virginia Department of Education was assured that this licensure bill was not an attempt to circumvent the certification process by the state department of education. The Department of Education, by virtue of the state constitution, has the right to determine the requirements for certification. A review of the bill will show that in order to become a licensed school psychologist after the "grandparenting" period, one must **always first be a certified school psychologist**. There was an allowance during the "grandparenting" period for licensure at Level I (not independent practitioner level) for any standard provision licensee who had been approved by the state department of education at the time the bill went into effect. However, licensure does not mean that the approved licensed psychologist now becomes certified.

Due to the fact that there are 18 standard provision licensed psychologists who are licensed at the independent practitioner level who are not certified school psychologist, confusion has already begun. It is reported that many feel that these individuals have also been awarded certification by virtue of their licensure. This is not true, but this situation is confusing to others and is creating hard feelings for those who have completed the necessary coursework for certification requirements.

C. VIOLATION OF APA ETHICS

The American Psychological Association (APA) has addressed the subject of psychologists who wish to change or add a specialty. Their guidelines always specify that education from an accredited school is mandatory. Experience and supervision in the specialty area is not enough. The guidelines are as follows:

1. The American Psychological Association's (1987) General Guidelines for Providers of Psychological Services Board of Professional Affairs, Committee on Professional Standards

General Guideline 1.7 states:

Psychologists who change or add a specialty meet the same requirements with respect to subject matter and professional skills that apply to education, training, and experience in the new specialty.

ILLUSTRATIVE STATEMENT: Retraining psychologists to qualify them for a change in specialty must be under the auspices of a program in a regionally accredited university ...that offers the degree in that specialty. Such education and training are individualized, due credit being given for relevant coursework or requirements that have previously been satisfied. Merely taking an internship or acquiring experience in a practicum setting or in an employment setting is not considered adequate preparation for becoming a clinical, counseling, industrial/organizational, or school psychologist. Fulfillment of such an individualized training program is attested to by official certification by the supervising department or professional school indicating the successful completion of educational preparation in the particular specialty.

Source: General guidelines for providers of psychological services. American Psychologist, 42(7), 712-723. Copyright 1987.

2. The American Psychological Association (1981) Specialty Guidelines for the Delivery of Services by School Psychologists

Section 1.7 states

Psychologists who wish to qualify as school psychologists meet the same requirements with respect to subject matter and professional skills that apply to ... training in school psychology.

INTERPRETATION: Education of psychologists to qualify them for specialty practice in school psychology is under the auspices of a department in a regionally accredited university or of a professional school that offers the ...degree in school psychology, through campus-and/or field-based arrangements. Such education is individualized, with due credit being given for relevant course work and other requirements that have previously been satisfied. In addition to the education specified above, appropriate training is required. An internship or experience in a school setting is not adequate preparation for becoming a school psychologist when prior education has not been in that area. Fulfillment of such an individualized training program is attested to by the awarding of a certificate by the supervising department or professional school that indicates the successful completion of preparation in school psychology.

Source: Specialty guidelines for the delivery of services by school psychologists. American Psychologist, 36(6), 33-44. Copyright 1981.

PROPOSED CHANGES TO THE INTERPRETIVE RULES

7.3 Written examination. The National Association of School Psychologists (NASP) certification examination (National School Psychologists Examination) shall be adopted as the examination which applicants for Level I and Level II licensure must pass. The minimum passing score applicants must obtain shall be equal to or above one-half deviation below the mean (rounded up) for CAS examinees or their equivalents)

For grandparenting purposes, passage of the NASP examination will be determined as the raw score obtained during the standardization process of the NASP examination, since at that time there was not a mean or passing score.

7.5b Grandparenting of Standard Provision Licensed Psychologists At Level I: Standard provision licensed psychologists may apply for licensure at Level I if they have been approved by the State Department of Education to provide school psychology services to the school on the effective date of the bill....

7.5d Grandparenting of Standard Provision Licensed Psychologist Who Practice As School Psychologists:

Eliminate section 7.5d. There is no provision for licensure of a standard provision licensee who is not already

a certified school psychologist. We believe that attempts to provide an additional license endorsement for those who do not meet the requirements established in Sections 30-21-7d(2) and 30-21-7b go beyond the scope and the intent of the bill. Furthermore, many feel that this is an ethical concern, that is, when licensed psychologists are grandparented into a specialty licensure area without the prerequisite training required by APA/NASP. It is also a legal concern as far as whether this now constitutes certification through the WV State Department of Education.

In reality, those psychologists who are standard provision licensees who have already been determined by the Board of Examiners to be qualified to work with children already hold the capability to continue their work without this additional specialty license.

Change 7.6 to 7.5

Change 7.7 to 7.6

Change 7.8 to 7.7

ADDITION TO THE PROPOSED INTERPRETATIVE RULES

SECTION 30-21-7D(2) ...must have completed the equivalency of two years supervised experience...

We would like a definition of the term "equivalency." For example, does that mean that a school psychologist who has worked full time for five years would need no additional supervision.

What about the school psychologist who has worked for ten years? Does he/she need additional supervision to do the same type of activity outside the school setting?

cc

Remarks to the Legislative Rule Making Committee
8-3-92

by Stephen L. O'Keefe
Professor of Psychology
WV Graduate College

My concerns about the interpretive rule changes of the Board of Examiners of Psychologists involve the arbitrary decisions of the Board which unnecessarily restrict the practice of School Psychologists who have previously been excluded from the licensure provisions.

1. Following the interpretive rules virtually none of the previously unlicensed school psychologists will be grandfathered for independent practice. School psychologists who have operated for as many as 25 years without supervision and without incident of public complaint surely must be qualified by nature of training and experience without having to pass any exam which was developed after they began their practice. Furthermore, they should not have to submit to supervision by practitioners who are less qualified by virtue of training and experience in school psychology. The requested remedy is to grandfather all permanently certified school psychologist for the independent practice of school psychology.

2. The Board has exceed their legislative mandate by grandfathering standard provision licensees who are neither trained as school psychologists nor listed by the State Department of Education as approved to provide services to schools. The requested remedy is to limit the grandfathering of standard provision licensees to those who are trained as school psychologists or on the Department of Education's approved list as specified in the legislation.

3. The proposal to raise fees coincidentally with the requirement that school psychologists be licensed is biased and unfair restraint of trade. Raising the fees by 50% to 300% at a time when more than 100 citizens are trying to get licensed in order to protect their livelihood is unconscionable. With the dramatic increase in the number of licensees the operating cost per person should decrease. Any increase should be based on clear documentation of cost rather than arbitrary usuary increase. The requested mandate is a two year moratorium on fee increases until the raises can be based on the experience of operating the Board with a substantially larger group of licensees.

Handout Meet. Aug 3, 1992

TO: Legislative Rules Committee
FROM: Beverly Winter, President
West Virginia School Psychologists' Association
DATE: August 3, 1992
RE: Change of term in HB 2765

We would like to propose the following word substitution in the state code:

Section 30-12-2 Definitions

(g) "School psychological services" means the activities which school psychologists may engage in to promote mental health and to facilitate the education of school age children population, which include, but are not limited to, the following:

We ask that school age children be changed to school population. In 1990, the Individuals with Disabilities Education Act (IDEA) was passed (PL 101-476). PL 101-476 extends PL 94-142 Education for All Handicapped Children Act. PL 101-476 gives new impetus to the breadth and quality of services to children, youth, and adults with disabilities. This law provides for educational services from the preschool to post-secondary level. It would provide for service to adults with disabilities who wish to reenter school. It also addresses the development of individual plans for families of school children.

The term school age children, therefore, may be interpreted by the Board of Examiners and others to limit the range of clients to which we can serve. This will be in contrast to our practice in the school setting and federal/state guidelines. We can avoid a potential problem in the future.

cc

Dist. Meeting Aug 3, 1992



STATE OF WEST VIRGINIA
BOARD OF EXAMINERS OF PSYCHOLOGISTS

August 3, 1992

Legislative Rule-Making Review Committee
State Capitol Building
Charleston, WV 25304

Re: Penalties and Fees (17-1-1) For
WV Board of Examiners of Psychologists


Dear Senators and Delegates:

During our last meeting Delegate Burke requested additional information concerning the impact of proposed increased fees upon the Board's budget. As you recall, there is no impact upon the state budget because public funds are not used.

As of June 30, 1992, balance on hand was \$4,000. Projected budget balance for fiscal year 92/93 is zero. Factoring in fee increases and projected expenses for a full fiscal year the estimated fiscal year 93/94 budget balance would be \$4,000.

Thank you for your consideration of this matter.

Sincerely yours,


Jeffrey L. Harlow, Ph.D.
Chairperson

JLH/mw



STATE OF WEST VIRGINIA
DEPARTMENT OF HEALTH AND HUMAN RESOURCES

August 3, 1992

Gaston Caperton
Governor

The Honorable Ken Hechler
Secretary of State
State Capitol Building, Suite 157-K
Charleston, West Virginia 25305

Re: **Withdrawal of Proposed Legislative
Rule and Emergency Rule**

Dear Secretary Hechler:

The West Virginia Department of Health and Human Resources is withdrawing a proposed legislative rule and an emergency rule, and requests that the appropriate notice be filed in the State Register.

The proposed legislative rule would have amended an existing rule, Title 69 C.S.R. Series 3, "Implementation Of Omnibus Health Care Act Payment Provisions." The "Notice Of Agency Approval Of A Proposed Rule And Filing With The Legislative Rule-Making Review Committee" was filed on November 6, 1991. The emergency rule being withdrawn was filed on August 30, 1991, and made the same amendments to the Title 69 C.S.R. Series 3 rule. Copies of both rules are attached for your information.

The proposed amendments would have incorporated a new fee schedule methodology into the Series 3 rule. The Public Employees Insurance Agency desired to adopt a new methodology for calculating fees based on more current claims data. Unfortunately, the new schedule actually resulted in lower maximum fees in many cases, so that some providers were receiving less payment for services in 1992 than they did in 1991. For this reason, the PEIA decided to return to the fee schedule in effect in 1991, before the emergency rule and the proposed legislative rule were filed.

Your assistance in publishing this notice in the State Register is appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "W. Donald Weston".

W. Donald Weston, M.D.
Acting Secretary

WDW:DPL:trs

Attachments

cc: Sally K. Richardson
David P. Lambert
Debra A. Graham