

**WSR 23-24-080**  
**PREPROPOSAL STATEMENT OF INQUIRY**  
**DEPARTMENT OF**  
**LABOR AND INDUSTRIES**

[Filed December 5, 2023, 9:57 a.m.]

Subject of Possible Rule Making: Medical aid rules updates regarding rate setting for most professional health care services for injured workers. These updates may also impact rates for health care services provided to crime victims. WAC 296-20-135 Conversion factors, 296-23-220 Physical therapy rules, and 296-23-230 Occupational therapy rules.

Statutes Authorizing the Agency to Adopt Rules on this Subject: RCW 51.04.020 and 51.04.030.

Reasons Why Rules on this Subject may be Needed and What They Might Accomplish: The current rules describe elements used in the process of updating the maximum allowable payments for most professional health care services. These elements are set in rule in order to follow the established methodologies of the department of labor and industries (L&I) and maintain consistency with the health care authority (HCA) and medicaid purchasing administration. Specifically, any proposed rule changes will consider the following:

- WAC 296-20-135: Updating the conversion factors used by L&I for calculating reimbursement rates for most professional health care and anesthesia services. Updating the conversion factors to correspond to changes in the medical procedure codes, relative value units, and anesthesia base units. These changes would enable L&I to continue a reimbursement methodology consistent with other state agencies. Cost-of-living adjustments may be incorporated into the changes in the conversion factors.
- WAC 296-23-220 and 296-23-230: Updating the maximum daily reimbursement level for physical and occupational therapy services so L&I may, if necessary, give cost-of-living adjustments to affected providers.

Other Federal and State Agencies that Regulate this Subject and the Process Coordinating the Rule with These Agencies: None.

Process for Developing New Rule: L&I notifies external stakeholders through the GovDelivery system on updates to conversion factors and to the physical and occupational therapy maximum daily reimbursement level. L&I coordinates these updates with HCA, the medicaid purchasing administration, and the Centers for Medicare and Medicaid Services to ensure consistent health care purchasing policies when possible. The proposed changes will be presented to the advisory groups, published via the GovDelivery service, and publicized in a letter to interested persons. Parties interested in this rule may contact the individual listed below. The public may also participate by commenting after amendments are proposed by providing written comments and/or testimony during the public hearing and comment process. A public hearing will be held after the proposal is filed.

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting Megan Lemon, L&I, Health Services Analysis, P.O. Box 44322, Olympia, WA 98504-4322, phone 360-902-5161, fax 360-902-4249, email Megan.Lemon@lni.wa.gov, website <https://www.lni.wa.gov/rulemaking-activity>.

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Director